

RESTRICTED

RBC/8

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Special Distribution

The Uruguay Round  
Surveillance Body

ROLLBACK

Communication

The following communication is circulated in accordance with paragraph 4 of the agreed procedures for the surveillance mechanism (MTN.TNC/2, Annex).

- |   |                  |
|---|------------------|
| 1. <u>Communication from:</u> Hong Kong   | <u>to:</u> Japan |
| 2. <u>Participant maintaining the measure:</u> Japan  |                  |
| 3. <u>Description of the measure</u> (including date of entry into force and reference to any relevant legislation or other document):  |                  |
| (a) Prior Confirmation System on importation of silk fabrics: since 1979 Hong Kong exports of silk fabrics to Japan have been subject to a Prior Confirmation System imposed by the Government of Japan. Under this system, Japanese importers may apply for licences for imports of silk fabrics from Hong Kong only if they have obtained prior approval of the Ministry of International Trade and Industry.<br>(Reference: Japan's Import Notice as of April 1986; NTM/INV/IV.A.74.1) |                  |
| (b) Import quota system<br>(Reference: Japan's Import Trade Control Order of 1949 and Import Notice as of April 1986; NTM/INV/IV.A.73)  |                  |

4. Products covered, including tariff headings (CCCN where applicable, otherwise national tariff lines):

- (a) Silk fabrics (CCCN No. ex 50.09)
- (b) Products subject to import quota of trading interest to Hong Kong are listed at the Appendix.

5. Country or countries to which the measure applies:

- (a) Hong Kong and selected countries
- (b) Global application

6. Grounds for belief that the measure should be subject to the rollback commitment:

- (a) The Prior Confirmation System is discriminatory in nature and is inconsistent with the GATT, particularly Articles I, VIII and X thereof. It is the firm view of Hong Kong that the System has a restrictive effect on trade and constitutes a non-tariff barrier to Hong Kong's exports of silk fabrics to Japan. For details, see NTM/INV/IV.A.74.1.
- (b) Restriction of imports by means of import quotas is inconsistent with the GATT. For details, see NTM/INV/IV.A.73.

APPENDIX

Rollback Communication on Measures Maintained  
by Japan affecting Products of Interest to Hong Kong

| Heading No.<br>of the Customs<br>Tariff Schedule | Description of Goods   | Measure |
|--|--|---------|
| ex 01.06-5                                       | Tortoise-shell turtle  | IQ      |
| ex 03.01-2-(2)                                   | Herring, cod (including Alaska pollack) and its roes, yellow-tail, mackerel, sardines, horse-mackerel and sauries, fresh (live or dead), chilled or frozen                                 | IQ      |
| ex 03.02-2-(1)                                   | Cod (including Alaska pollack), herring, yellow-tail, mackerel, sardines, horse-mackerel and sauries, salted, in brine or dried, "Niboahi" (small boiled and dried fish for seasoning use) | IQ      |
| ex 03.03-2-(1)                                   | Scallops, cuttlefish and squid (excluding "Mongo ika" (Sepia Subaculeata)), live; scallops, adductors of shellfish, cuttlefish and squid (excluding "Mongo ika"), fresh, chilled or frozen | IQ      |

| Heading No.<br>of the Customs<br>Tariff Schedule | Description of Goods  | Measure |
|--|---|---------|
| ex 05.15-8                                       | Tortoise-shell turtle   | IQ      |
| ex 07.05-4.                                      | Other dried leguminous vegetables, excluding seeds for growing vegetables   | IQ      |
| ex 16.02-2                                       | Other prepared or preserved meat and offals, of bovine animals or pigs; other preparations chiefly consisting of meat and offals of bovine animals or pigs (excluding ham, bacon, and other meat products not containing the meat or offals of bovine animals)  | IQ      |
| ex 21.07-2-(2)                                   | Ice cream powder, prepared milk powder for infants and other preparations mainly consisting of milk; food preparations of seaweeds (genus Porphyra, Enteromorpha Monostroma, Kjellmaniella and Laminaria); "mochi" (rice-cake), cooked rice, roasted rice flours, "mijinco", "kanbaiko", enriched rice with vitamin and other similar food preparations of rice, wheat and barley (including naked barley); other food preparations | IQ      |

| Heading No.<br>of the Customs<br>Tariff Schedule | Description of Goods  | Measure |
|--|---|---------|
| ex21.07-2-(2)<br>(cont'd)                        | (excluding rations, peanut butter, sweet corn, Korean ginseng tea and those with less than a 50% sugar content)   |         |
| ex 30.03-3                                       | Preparations containing phenylamino-<br>propane, phenylmethaminopropane or any<br>of their salts; preparations of opium<br>alkaloids or their derivatives (narcotic<br>drugs), preparations of ecgonine, cocaine,<br>cocaine hydrochloride or cocaine sulphate;<br>preparations of aminobutane groups<br>synthetic narcotic drugs, aniline group<br>synthetic narcotic drugs, benzimidazole<br>group synthetic narcotic drugs, benzomor-<br>phone group synthetic narcotic drugs,<br>methadone group synthetic narcotic drugs<br>(including those having the morpholine<br>nucleus), morphinan group synthetic<br>narcotic drugs or pethidine group synthetic<br>narcotic drugs | IQ      |
| ex 38.19-11                                      | Preparations and other products containing<br>more than 1 per cent by weight of 4-<br>nitrodiphenyl or its salts, bis(chlo-<br>romethyl) ether, benzidine or its salts,<br>4-aminodiphenyl or its salts or B-naph-<br>thylamine or its salts; polychlorobi-<br>phenyl and polychloronaphthalene(excluding<br>those used for testing and research<br>purposes)   | IQ      |

| Heading No.<br>of the Customs<br>Tariff Schedule | Description of Goods   | Measure |
|--|--|---------|
| ex 40.14-2                                       | Gum containing benzine more than 5 percent of the volume of its solvent (including diluent)  | IQ      |
| ex 90.29   | Parts and accessories (those containing nuclear fuel materials) for instruments or apparatus for measuring or detecting alpha-, beta-, gamma- or X-ray, cosmic or similar radiations (those containing nuclear fuel materials) | IQ      |
| ex 95.05-2                                       | Worked marine turtle and articles thereof  | IQ      |