COUNCIL DISCUSSES ITALIAN IMPORT DEPOSIT REQUIREMENTS

The GATT Council of Representatives met on 3 May 1974 to consider the import deposit requirements introduced by Italy. The Council has set up a working group to examine the matter.

The Council heard a statement by Ambassador Farace di Villaforesta, the permanent representative of Italy in Geneva, and a brief statement by the spokesman for the European Communities, and then proceeded to a discussion of the matter.

The working group has been instructed "to examine the Import Deposit Scheme introduced by the Government of Italy and its implications, to report to the Council and to continue to be available for consultation as necessary". The Chairman of the group will be Ambassador G.L. Easterbrook-Smith (New Zealand). The Director-General of GATT, Mr. Olivier Long, will make the necessary arrangements for the usual consultations to take place with the International Monetary Fund.

The Government of Italy informed GATT on 1 May of its intention to introduce a temporary system of import deposits affecting imports from all sources. Raw materials, energy products and most capital goods are exempted from this measure. Importers of the products covered, which represent about two fifths of Italy's imports, will be required to deposit with the Bank of Italy, for a period of six months, a sum equivalent to 50 per cent of the value of the goods.

Notification of the measure was made to the Director-General of GATT by Ambassador Farace di Villaforesta.