The Report on Trends in International Trade is undoubtedly a document of exceptional importance; it constitutes a very useful basis for a study of joint action with a view to improving and expanding trade relations between the industrialized countries and those which are still in the process of development.

The competent authorities of the Italian Government are carefully studying this document and the specific recommendations contained in it.

The Italian delegation wishes nevertheless to present some remarks of a general nature regarding the scope of any attempts aimed at alleviating regulations applicable to agricultural markets on the national level.

In the present circumstances, intervention by the Italian Government in the field of agriculture affects only a very small number of primary commodities. The purpose of such action is to achieve and maintain an equilibrium between the price of agricultural commodities at the production level and the price of the equipment and services required for production, while at the same time ensuring stable markets.

This stability of markets which the Government tries to achieve is, moreover, an essential condition for the success of the investment policy in regard to agriculture.

Wheat is the principal product affected by this policy of Government intervention.

In any case, to the fullest extent consistent with political and social requirements, and in order also to limit the State's financial burden, the Italian Government endeavours to avoid the accumulation of surplus stocks.
In this context, the Italian Government has recently modified the guarantees which had been formerly granted; reductions have been made in the stockpiling quota and the purchase price for wheat with a view to encouraging a readjustment of wheat production. Steps have also been taken in order to reduce the area planted to rice and sugar-beet.

Italian Government policy tends to encourage a reduction in certain forms of support for agricultural markets, to the extent compatible with social requirements. My Government would willingly co-operate in any initiative with a view to confronting and comparing the agricultural policies of the contracting parties.

As regards the suggestions made by the experts in relation to certain ways and means for developing trade relations between industrialized countries and under-developed countries, the Italian delegation recognizes that the incidence of fiscal charges can affect the expansion of consumption of certain commodities. In certain countries such as Italy, however, it is still difficult to reduce this incidence, at least so long as structural modifications in the national budget have not been effected.

As regards international commodity agreements, the Italian Government has already stated, on several occasions, that it is prepared to co-operate in any action which has already been taken or which may be taken in the future.

We feel that it should be pointed out that past experience in this field indicates that it would be difficult to draw up a standard type of agreement which could be applicable to all primary commodities; we recognize nevertheless that the idea of international co-operation in the management of buffer stocks deserves a thorough examination from every point of view.

The Italian delegation is generally in favour of a study of the problem of price stabilization for primary commodities on a product-by-product basis.

In conclusion, the Italian delegation considers that this report constitutes a thorough examination of problems relating to the expansion of trade relations with countries in the process of development. On the basis of the proposals which it contains, the contracting parties should endeavour to find satisfactory solutions to these problems. As other delegations have already done, the Italian delegation wishes to stress the final consideration put forward by the experts: these solutions must aim at a negotiated settlement involving the progressive abandonment by all parties of all undesirable policies and practices.