

GENERAL AGREEMENT ON
TARIFFS AND TRADE

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BELGIAN FAMILY ALLOWANCES

Memorandum submitted by the Government of Italy

At their Seventh Session, the CONTRACTING PARTIES examined a complaint submitted by the Norwegian and Danish delegations regarding the application of a Belgian law on the levy of a charge on foreign goods purchased by public bodies when these goods originate in a country whose system of family allowances does not meet specific requirements.

In their recommendation, adopted on 7 November 1952, the CONTRACTING PARTIES have explicitly recognized that the Belgian legislation on family allowances was not only inconsistent with the provisions of Article 1 but was based on a concept which it was difficult to reconcile with the spirit of the General Agreement.

During the Seventh Session the Italian delegation had no reason to express an opinion on the matter because Italian products were exempted from the above-mentioned levy in view of the fact that the Belgian authorities had explicitly recognized that the Italian system of family allowances met the requirements laid down in the relevant Belgian legislation.

All this has been specifically mentioned in paragraph 3 of document G/32. Furthermore, the delegate of Belgium himself had confirmed this exemption in the case of Italian products as early as the Sixth Session of the CONTRACTING PARTIES, as is indicated in the Press Release which was distributed at the time (GATT/44 of 26 September 1951).

Subsequently, however, Italian supplies purchased by public bodies in Belgium were submitted to the levy in question notwithstanding the recommendation by the CONTRACTING PARTIES that the discrimination complained of should be removed.

Repeated interventions made through diplomatic channels did not yield any results. Therefore, the Italian Government wishes to request that the complaint in question be placed on the agenda for the Eighth Session of the CONTRACTING PARTIES in order that a final determination may be reached with a view to eliminating the situation complained of, which is damaging to the trade of some contracting parties.