# GENERAL AGREEMENT ON TARIFFS AND TRADE

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# NOTIFICATIONS OF IMPORT RESTRICTIONS APPLIED INCONSISTENTLY WITH THE PROVISIONS OF GATT AND NOT COVERED BY WAIVERS

#### Addendum

#### <u>ITALY</u>

The Government of Italy has notified the import restrictions which are being applied by Italy to contracting parties inconsistently with the provisions of GATT and which are not covered by waivers.

This notification is arranged as follows:

;			<u> Puge</u>
Gener	al exp	planatory material	2
Annex	I -	Restrictions applicable to all contracting parties	5
	Α.	List of items subject to import restrictions	5
	B.,	Nature of the restrictions listed in A	6
	C.	Restrictions applied through State commercial operations	12
	D.	Products legally subject to import restrictions but in practice governed by a system of licences comparable to liberalization	12
Annex	II -	Supplementary list of restrictions applicable to products of Israel	14
Annex	III -	-Supplementary list of restrictions applicable to products of the United Arab Republic	15
Annex	·VIV —	Supplementary list of restrictions applicable to products of Yugoslavia	16

#### GENERAL

1. As can readily be seen from Annex I a further step has been taken by Italy towards the abolition of residual restrictions as compared with the situation in the spring of 1968 when the last previous notification was communicated (see document L/2981/Add.12 of 14 May 1968).

No import restrictions are now imposed in respect of the following products:

- ex 17.03 Molasses, whether or not decolourized, except molasses intended for the preparation of animal food or of coffee substitutes
- ex 17.05 B II Molasses, containing added flavouring or colouring matter, except molasses intended for the preparation of animal food or of coffee substitutes
  - 25.03 Sulphur of all kinds, other than sublimed sulphur, precipitated sulphur and colloidal sulphur
    - A Crude sulphur
    - B Other
  - 28.02 Sulphur, sublimed or precipitated, colloidal sulphur
  - 29.16 A IV Citric acid and crude calcium citrate

The importation of these products free of duty was prescribed by ministerial Decree of 20 September 1968 which came into force on 17 December.

Moreover, the restriction concerning item 04.01 A (milk and cream, fresh) has been considerably relaxed: as from 17 December 1968 it applies only to milk and cream with a content of fatty substances equal to or under 6 per cent in weight.

Other measures to cut down the restrictions on imports are at present under consideration and will probably come into force in the very near future. As is indicated in Annex I, these measures concern items 08.01 ex A (dates), 12.08 A (locust beans), ex 20.07 (fruit and vegetable juices), and 21.07 D ex 11 (sweetened butter).

The cutting down of restrictions in 1968 and the further steps to be taken in the near future provide evidence of the efforts that Italy is constantly making to achieve free commercial exchanges with the other contracting parties.

If one takes into account the scope of each of these restrictions it can scarcely be denied that the residual restrictions applied by Italy now cover a very small fraction of its import trade.

As was requested in GATT/AIR/713, the restrictions applied through State-trading operations are also shown in Annex I. These are import restrictions which are applied in virtue of legislation dating back before the Annecy Protocol and are consequently covered by the provisions of paragraph 1 sub-paragraph (a)(ii) of that Protocol.

As in previous notifications it has seemed unnecessary to indicate in Annex I the restrictions on imports of semi-manufactured gold and articles of gold which are applied in conformity with Article XX paragraph (c) of the General Agreement.

2. Imports from Israel and the United Arab Republic are subject to additional restrictions as indicated in Annex II and Annex III respectively.

The additional restriction previously applied to imports of nitro-cellulose (heading 39.03 B II a 2) from Yugoslavia which was shown in document L/2981/Add.12 of 14 May 1968 was abolished by agreement between the two countries in the course of recent bilateral conversations. Italy has also declared its willingness to abolish, subject to conditions mentioned during these conversations, the restriction on ethyl acetate (heading 29.14 A II c 1 bb), which was referred to in the same document. Subject to this reservation the additional restrictions applying to Yugoslavia are at present those shown in Annex IV.

- 3. A special list of import restrictions is in effect with respect to imports from Japan (the list is more extensive than for other contracting parties).
- 4. Imports from Czechoslovakia and Poland (contracting parties to the General Agreement) are subject to restrictions under the general list of restrictions ("Tabella B imports") applied to imports from the group of State-trading countries, with the exception of products liberalized by a ministerial circular dated 24 April 1967<sup>2</sup> and of other liberalized products listed in the schedules annexed to bilateral trade agreements negotiated between Italy and these two countries.
- 5. The products listed in Annex I, section D, are also included in the list of restricted imports applicable to the countries mentioned in paragraph 1 above, but in practice they can be considered as being liberalized since their importation from those countries is subject to a very liberal system of licences, the "all licences granted" régime, which means that all applications are granted without any limitation as regards quantity.

lalbania, Bulgaria, Czechoslovakia, North Korea, Hungary, Poland, Eastern Germany, Mainland China, Mongolia, USSR, North Viet-Nam.

Liberalization covers imports from the following countries: Albania, Bulgaria, Czechoslovakia, Hungary, Poland, Romania, USSR.

- 6. In order to complete the picture of the procedure followed by Italy as regards restrictions on imports, it may be well to recall that these restrictions are included in two lists:
  - Import List A (Tabella A Import), which includes the restrictions on imports coming from most other countries.
  - Import List B (Tabella B Import), which shows the restrictions applied to imports from a limited group of State-trading countries (cf. point 4 above).

To put it simply, it may be said that the restrictions in Import List A apply to all countries other than those shown in Import List B.

The two Lists are drawn up by ministerial decree.

Import List A is the one which contains the residual restrictions still applied by Italy inconsistently with the provisions of GATT, which are shown in Annex I.

In general, all products included in this List are subject to ministerial licence but in point of fact, as can be seen in Annex I, the restrictions in the case of certain products are relaxed to varying degrees (in some cases the customs authorities are authorized temporarily to permit the goods to be imported without a ministerial licence; in other cases licences are granted automatically without any limitation of quantity for certain countries; in yet other cases licences are granted automatically for all imports irrespective of their source).

These relaxation measures are laid down by circulars issued by the Ministry of Foreign Trade.

Import List A and these circulars thus contain all the provisions governing imports which are subject to residual restrictions.

#### Annex I

# A.- LIST OF PRODUCTS SUBJECT TO IMPORT RESTRICTIONS APPLIED BY ITALY INCONSISTENTLY WITH THE PROVISIONS OF GATT AND NOT COVERED BY WAIVERS

(For nature of the restrictions see Section B below)

Tariff item No.	Description of products
04.01	Milk and cream, fresh, with a content of fatty substances equal to or under 6 per cent by weight
08.01 ex A	Dates, in packages weighing more than 500 grammes
08.01 B	Bananas
08.03 ex B	Figs, dried, in packages weighing 500 grammes or more
08.04 A I b) II b)	Fresh grapes, wine
08.04 ex B	Dried grapes, in packages weighing more than 500 grammes
09.01 A I a	Coffee, unroasted, not freed of caffeine
12.08 A	Locust beans, fresh or dried, whether or not kibbled or ground
15.10 C II	Acid oils from refining
ex 20.05	Date, dried fig or raisin paste, whether or not mixed with other fruit pastes
ex 20.07	Fruit juices (including grape must) and vegetable juices, whether or not containing added sugar, but unfermented, except: grapefruit and pineapple juice
21.07 D ex II	Sweetened butter
22.04	Grape must, in fermentation or with fermentation arrested otherwise than by the addition of alcohol
22.05	Wine of fresh grapes; grape must with fermentation arrested by addition of alcohol
29.34 A	Tetraethyl lead
33.01 A-I	Essential oils, other than terpeneless, obtained from citrus
38.14 A	Anti-knock preparations based on tetraethyl lead

#### Innex I (contid)

Tariff item No.	• • • • • •	Description of products
45.02		Cork: blocks, plates, sheets, etc., including blocks for the manufacture of corks
87.02	e careera	Motor vehicles for the transport of persons or goods (including sports motor vehicles and trolley-buses)
87.03	•	Special-purpose motor vehicles
ex 87.04	•	Chassis for the motor vehicles falling within heading No. 87.02 or 87.03
ex 87.05		Bodies, including cabs, for the motor vehicles falling within heading No. 87.02 or 87.03

#### B. NATURE OF THE RESTRICTIONS APPLIED TO THE PRODUCTS LISTED ABOVE

## 1. Milk and cream, fresh, with a content of fatty substances equal to or under 6 per cent by weight (item 04.01 1)

In so far as States members of the EEC are concerned, these products are imported under global annual quota. This quota is subject to the customs control system which means that the products can be imported without licence until the quotas allocated to the various customs offices are exhausted.

Imports originating in and coming from other countries are subject to a system of licences the granting of which is closely linked up with the need for maintaining the indicative price of milk which is one of the essential elements of the Community system of regulating dairy products.

These restrictions will disappear as from 1 January 1970 if the Community regulations concerning milk and cream which are at present being drafted come into force by that date.

#### 2. Dates, in packages weighing more than 500 grammes (item 08.01 ex .)

The "all licences granted" régime (which means that all applications are granted without any limitation as to quantity) applies to this product which circulates freely within the States members of the EEC and also to imports originating in and coming from their overseas countries and territories, from the Ifrican and Malagasy States associated with the Community and from Greece.

There are no bilateral quotas.

Imports from other countries are subject to the system of licences granted at the discretion of the competent authorities.

Consideration is being given to relaxing this restriction and applying the régime of liberalization to imports intended for feeding cattle.

#### 3. Bananas (item 08.01 B)

Imports from any source are subject to a global annual quota which importers can use under the system of customs control (which means that the goods can be imported without licence up to the limit of the quotas attributed to specific customs offices).

#### 4. Figs. dried, in packages weighing 500 grammes or more (item 08.03 ex B)

The "all licences granted" régime applies to this product which circulates freely within the States members of the EEC and to imports originating in and coming from their overseas countries and territories or from the African and Malagasy States associated with the Community.

The same régime applies to imports originating and coming from Greece but only when the product is in packages weighing not more than 15 kgs.

Imports originating in and coming from Turkey are subject to the limitations of the allocation made to Italy out of the total Community quota provided by the EEC for that country within the framework of the measures adopted to give effect to the Convention of Association.

Imports from other countries are subject to the régime of licences granted at the discretion of the competent authorities.

#### 5. Fresh grapes, wine (item 08.04 A I b, II b)

The system of licences applies to imports from all sources.

The licences are granted at the discretion of the competent authorities.

#### 6. <u>Dried grapes, in packages weighing 500 grammes or more</u> (item 08.04 ex B)

The "all licences granted" régime applies to this product which circulates freely among the States members of the EEC and to imports originating in and coming from their overseas countries and territories or from the African and Malagasy States associated with the Community.

The same régime applies for imports originating and coming from Greece but only if the product is in packages of a net weight not exceeding 15 kgs.

Imports originating and coming from Turkey are made, in so far as dried grapes in packages of a net weight not exceeding 15 kgs. are concerned, within the limits of the allocation made to Italy of the Community quota allocated by the EEC to this country within the framework of the measures taken to apply the provisions of the Convention of Association. This quota is subject to the customs control régime.

As regards other countries, imports of dried grapes in packages of a net weight of not more than 15 kgs. may be made within the limits of the quota allocated to Italy out of the non-discriminatory Community quota allocated by the EEC within the framework of the measures laid down in the commercial agreement between the EEC and Iran. This quota is subject to the customs control régime.

Imports in excess of the limits of weight mentioned above are subject to licences granted at the discretion of the competent authorities.

#### 7. Coffee, unroasted, not freed of caffeine (item 09.01 A I a)

These imports are subject to licence only when coming from countries not parties to the International Coffee Agreement.

#### 8. Locust beans, fresh or dried, whether or not kibbled or ground (item 12.08 A)

The "all licences granted" régime is applied to this product which circulates freely among the States members of the EEC and to imports originating in and coming from their overseas countries and territories, from the African and Malagasy States associated with the Community and from Greece.

There are no bilateral quotas.

Imports from other countries are subject to licences granted at the discretion of the competent authorities.

Total import liberalization for this product is under consideration.

#### 9. Acid oils from refining (item 15.10 C II)

The "all licences granted" régime applies to this product which circulates freely among the States members of the EEC and to imports originating in and coming from their overseas countries and territories, from the African and Malagasy States associated with the Community and from Greece.

In order to be covered by the liberal licensing scheme the goods must be transported under customs control to the establishments which are going to use them, with a view to being denatured by the addition of oil of sesame to a degree of 10 per cent and of rosin to a degree of 5 per cent. It is not necessary to denature the product if the establishment which is using it is subject to constant supervision.

There are no bilateral quotas,

Imports from other countries are subject to licences granted at the discretion of the competent authorities.

## 10. Date, dried fig or raisin paste, whether or not mixed with other fruit pastes (ex 20.05)

The "all licences granted" régime applies to those products which circulate freely among the States members of the EEC and also to imports originating in and coming from their overseas countries and territories, from the African and Malagasy States associated with the Community, and from Greece.

The application of the liberal licensing scheme, however, is subject to the paste being denatured in advance by the addition of 2 per cent of soya flour.

There are no bilateral quotas.

Imports from other countries are subject to the system of licences granted at the discretion of the competent authorities.

## 11. Fruit juices (including grape must) and vegetable juices, whether or not containing added sugar, but unfermented and without the addition of alcohol except grapefruit and pineapple juice (item ex 20.07)

The products included under this heading, with the exception of non-concentrated fresh grape must and juices of dates and dried figs, even when mixed with juices of other fruits, with or without the addition of sugar, may be imported freely if they originate in and come from States members of the EEC and their overseas countries and territories, from the African and Malagasy States associated with the Community and from Greece.

The "all licences granted" régime applies to imports of date and dried fig juice (even when mixed with other truit juices, with or without the addition of sugar) coming from any of the countries mentioned above.

On the other hand, imports of fresh grape must which is not concentrated and which comes from the countries mentioned are subject to licences granted at the discretion of the competent authorities.

As regards other countries, imports of all the products listed under this heading are permitted only under licences granted at the discretion of the competent authorities.

#### 12. Sweetened butter (item 21.07 D ex II)

Imports from any sources are subject to licences granted at the discretion of the competent authorities.

Consideration is being given to the abolition of this restriction.

13. Grape must, in fermentation or with fermentation arrested, otherwise than by the addition of alcohol (item 22.04)

Imports from all sources are subject to licences granted at the discretion of the competent authorities.

14. Wine of fresh grapes; grape must with fermentation arrested by addition of alcohol (item 22.05)

Imports from all sources are subject to licences.

Licences for imports of wine are granted:

- (a) within the framework of global quotas in the case of wines which circulate freely among the States members of the EEC;
- (b) within the framework of bilateral quotas in the case of wines originating in and coming from the following countries: Greece, Turkey, Spain, Portugal, Switzerland, Albania, Romania, USSR, Czechoslovakia, Bulgaria, Hungary, Tunisia, Morocco, the United States;
- (c) at the discretion of the competent authorities from all other sources.

Licences for imports of must are issued at the discretion of the competent authorities.

#### 15. Tetraethyl lead (item 29.34 A)

The "all licences granted" régime applies to this product which circulates freely among the States members of the EEC and to imports originating in and coming from their overseas countries and territories, from the African and Malagasy States associated with the Community and from Greece.

Imports originating in and coming from the United States and the United Kingdom can be effected within the framework of an annual quota under the customs control régime (which means that they can be imported without licences until the quotas allocated to each customs office have been exhausted).

For imports from other countries licences are granted at the discretion of the competent authorities.

16. Essential oils, other than terpencless, obtained from citrus (item 33.01 A-I)

Imports of this product are free if it originates in and comes from countries which belong to the former OEEC area (or which were assimilated to those countries).

Imports from other countries are subject to licences.

For one particular type of essential oil of orange (described as "essential oil, other than terpeneless, of sweet oranges, cold pressed") which is produced in the United States, licences are granted within the limits of an annual quota fixed unilaterally by the competent authorities in Italy.

Other licences are granted at the discretion of the competent authorities.

- 17. Anti-knock preparations based on tetraethyl lead (item 38.14 A)
  - The same system applies as for tetraethyl lead (cf. point 15 above).
- 18. Cork: blocks, plates, sheets, bands, etc. including blocks for the manufacture of corks (item 45.02)

The "all licences granted" régime applies to this product, which circulates freely amongst the States members of the EEC, and to imports originating in and coming from their overseas countries and territories, from the African and Malagasy States associated with the Community and from Greece.

Imports from other countries may be admitted under licences granted at the discretion of the competent authorities.

19. Motor vehicles for the transport of persons or goods (including sports motor vehicles and trolley buses) (item 87.02)

The "all licences granted" régime applies to this product, which circulates freely amongst the States members of the EEC and to imports originating in and coming from their overseas countries and territories, from the African and Malagasy States associated with the Community and from Greece, the United Kingdom, Sweden, the United States and Canada.

Imports from other countries are subject to licences granted at the discretion of the competent authorities.

20. Special-purpose motor vehicles (item 87.03)

The same régime applies as for the motor vehicles listed under heading 87.02 and referred to in point 19 above.

21. Chassis fitted with engines, for the motor vehicles falling within heading No. 87.02 or 87.03 (item ex 87.04)

The same régime applies as for the motor vehicles shown under headings 87.02 and 87.03 listed in points 19 and 20 above.

22. Bodies, including cabs, for the motor vehicles falling within heading No. 87.02 or 87.03 (item ex 87.05)

The same régime applies as for the motor vehicles shown under headings 87.02 and 87.03 listed in points 19 and 20 above.

#### C. LIST OF RESTRICTIONS APPLIED THROUGH STATE COMMERCIAL OPERATIONS

As has been shown in the notifications submitted by Italy in accordance with Article XVII, paragraph 4(a), of the General Agreement, the restrictions applied through State commercial operations affect the following products:

- unmanufactured or manufactured tobacco
- salt
- cigarette paper
- flints
- matches

All these products are handled by the State autonomous monopoly administration. The monopoly is of a fiscal nature.

The method of operation of these monopolies has been indicated in the notifications referred to above.

## D. PRODUCTS LEGALLY SUBJECT TO IMPORT RESTRICTIONS, BUT IN PRACTICE GOVERNED BY A SYSTEM OF LICENCES COMPARABLE TO LIBERALIZATION

In the case of the tariff items shown below, the "all licences granted" régime is at present in force for these products, which circulate freely amongst the States members of the EEC and for imports originating in and coming from the other countries to which the restrictions mentioned in Annex I apply.

Consequently, all applications for licences are granted without any limitation as regards quantity.

In those cases, the only purpose of the licence is to enable the competent authorities to follow more closely the development of imports coming from different countries.

In practice, therefore, those products may be considered as being freely imported from the countries in question.

Tariff item No.	Description of products
45.01	Natural cork, unworked, crushed, granulated or ground; waste cork
84.35	Machines and appliances for printing and the graphic arts, feeders, folders and other machines for use in ancillary printing:
A-I	Platen presses, inking or non-inking
A-II	Single cylinder machines
A-III-a ex 2	Rotary lithographic machines for single-colour printing, excluding offset machines for offices
A-III-a ex 3	Other printing machines, excluding rotary rotogravure nachines for printing newspapers and other periodicals
A-III-ex b	Spare parts, excluding those for rotary machines for newspaper printing, for offset duplicators for offices, for rotary lithographic machines for two or more colours and for rotary rotogravure machines for printing newspapers and other periodicals
84.40 C-I-ex a	Machines and appliances for printing wallpaper and wrapping paper
84.40 C ex II	Spare parts for machines and appliances for printing wallpaper and wrapping paper, including cylinders
84.41 A-I-II	Sewing nachines
ex 87.07	Works trucks with electric or internal combustion engines, having self-actuated lifting equipment
87.09	Motor cycles and cycles fitted with an auxiliary motor, with or without side-cars; side-cars of all kinds by themselves:
ex A	Motor cycles, motor cycles with side-cars, scooters, excluding motor cycles of more than 170 kgs. net weight
ex B	Side-cars for motor cycles
87.12 A	Spare parts and accessories for motor cycles, notor cycles with side-cars and scooters

Annex II.

SUPPLEMENTARY LIST OF PRODUCTS SUBJECT TO IMPORT.
RESTRICTIONS IN ITALY WHEN IMPORTED FROM ISRAEL.

Tariff item No.	Description of products
28.01 C	Bromine
ex 28.13 F-II	Anhydrides and oxyacids of bromine
ex 29.02 A-III-a	Ethylene dibromide
ex 29.02 A-III-b	Methyl bromide not intended for agricultural use
ex 29.02 A-III-b	Other polybromides

The above products may be imported into Italy within the limits of the bilateral quotas negotiated between the countries, except in the case of ethylene dibromide.

This latter product may only be imported temporarily by <u>ad hoc</u>authorization, without limitation as to quantity.

#### Annex III

# SUPPLEMENTARY LIST OF PRODUCTS SUBJECT TO IMPORT RESTRICTIONS IN ITALA WHEN IMPORTED FROM-THE UNITED ARAB REPUBLIC

Tariff item No.	Description of products	
ex 55.09  (statistical Nos.: 08, 09, 014, 022, 023, 024, 027, 028, 029, 031, 034, 035, )37, 039, 041, 042, 043, 044, 047, 048, 051, 072, 073, 074)	Other woven fabrics of cotton: - raw - bleached - printed	

Imports of the above fabrics originating in and coming from the United Arab Republic are permitted within the limits of an annual quota negotiated between the two countries.

Annex IV

SUPPLEMENTARY LIST OF PRODUCTS SUBJECT TO IMPORT
RESTRICTIONS IN ITALY WHEN IMPORTED FROM YUGOSLAVIA

Tariff item No.	Description of products
29.14 A-II-c-1-bb	F-hyl acetate
55.09 A-I b 1,2,5 (stat. 08, 09, 014)	Other cotton fabrics, plain, raw or of any other kind
55.09 A-II b 1,2,5 (stat. 022, 023, 024, 027, 028, 029, 031, 034, 035, 037, 039, 041, 042, 043, 044, 047, 048, 051, 072, 073, 074)	Other cotton fabrics, plain, bleached

For ethyl acetate, cf. Annex I, paragraph 2.

Cotton fabrics may be imported within the limits of an annual quota negotiated between the two countries.