

# GENERAL AGREEMENT ON TARIFFS AND TRADE

L/3318  
21 January 1970  
Limited Distribution

## ITALIAN SPECIAL FISCAL TREATMENT FOR BANANAS FROM SOMALIA

Decision of 14 January 1970<sup>1</sup>

Considering that, on the request of the Government of Italy, in order to promote the economic development of the Republic of Somalia, the CONTRACTING PARTIES decided, on 21 November 1967<sup>2</sup>, to permit the Government of Italy to grant duty-free treatment until 30 June 1968 to two products originating in the Republic of Somalia, without obligation to extend the same treatment to the like products of other contracting parties, and to apply until 31 December 1969 the Italian consumption tax to bananas, originating in the Republic of Somalia, up to a quantity of 1 million quintals annually, at a rate of Lit 60 per kilogramme while applying the rate of Lit 90 per kilogramme to bananas of any other origin;

Considering that the Government of Italy has requested that it be authorized to continue to apply until 31 December 1970 the Italian consumption tax at a lower rate to bananas originating in the Republic of Somalia than to bananas from any other origin;

Considering that the grant of this special treatment to bananas originating in the Republic of Somalia is designed to promote the economic development of the territories of the Republic of Somalia and, particularly, to help the Republic of Somalia to overcome certain recent difficulties of a temporary nature which it has encountered;

Considering that the Government of the Republic of Somalia is making considerable efforts to re-organize banana production and make it more competitive in the international market and that the implementation of these efforts and of a marketing and maritime transport re-organization programme are expected to be completed at the end of 1970;

Considering further that it does not seem likely that the proposed special fiscal treatment, in view of the nature and volume of the production and trade involved, would result in substantial injury to the trade of any of the contracting parties,

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<sup>1</sup>The Decision was adopted by postal ballot. There were forty-five votes in favour and none against.

<sup>2</sup>BISD, Fifteenth Supplement, page 87.

The CONTRACTING PARTIES, acting pursuant to paragraph 5 of Article XXV of the General Agreement and in accordance with the procedures adopted by them on 1 November 1956,

Decide that the provisions of paragraph 1 of Article I shall be waived to the extent necessary to permit the Government of Italy to apply until 28 February 1970 the Italian consumption tax to bananas (tariff number 08.01B(2)) originating in the Republic of Somalia, up to a quantity of 1 million quintals annually, at a rate of Lit 60 per kilogramme while applying the rate of Lit 90 per kilogramme to bananas of any other origin.