

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/5769

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ISRAEL - IMPORT DEPOSIT

The following communication, dated 4 January 1985, has been received from the Permanent Mission of Israel.

In accordance with the Declaration on Trade Measures Taken for Balance-of-Payments Purposes adopted by the CONTRACTING PARTIES On 28 November 1979 and Article XVIII of the General Agreement, I have the honour to inform you that the import deposit scheme notified in our communications of 22 June 1983 (L/5506), of 19 December 1983 (L/5600) and of 28 June 1984 (L/5669) has been extended for a further period of six months until 1 June 1985.

The extension of this scheme was necessitated by the persistence of a serious deficit in our balance of trade, while the current account of our balance of payments in 1984 is expected to show a deficit of US\$3.4 billion. Under these circumstances it proved to be impossible to discontinue the scheme, as such a step would have jeopardised the far-reaching measures which were taken on 5 November 1984 to stabilise the economy ("The Economic Package Deal").

On the other hand, as from 1 December 1984, the following categories of goods are no longer subject to the special 25 per cent import deposit, notified on 5 October 1984 (L/5697):

- materials used as inputs for local industries;
- materials used as inputs for export production;
- spare-parts for the provision of services;
- imports destined for "Approved Enterprises".