

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/1753/Add.5

28 May 1962

Limited Distribution

Original: Italian

REVIEW OF THE IMPLEMENTATION OF THE DECLARATION ON TRADE RELATIONS WITH POLAND

Information Supplied by Governments

Addendum

I T A L Y

Problems arising out of the difference between the economic and trade systems of Italy and Poland have been settled by these two countries through the conclusion of many agreements which have led to a rapid growth in their commercial relations over the past few years.

After a period of stagnation from 1954 through 1956, there was a recovery in trade between Italy and Poland from 1957, and in particular in 1958 after the conclusion of a trade protocol stipulating new lists of quotas amounting to 28 million lire in both directions, and through the adoption of a multilateral system of payments in lire which replaced the clearing system.

In order to expand trade relations further, a long-term agreement (four years) was reached on 27 November 1960 between Italy and Poland which specified even more substantial quota lists: for 1961 the value of the quotas amounted to 47,000 million lire of which 26,000 million lire for the importation of Polish products in Italy and 21,000 million lire for Italian exports to Poland. For 1962 the Trade Protocol signed in Rome on 20 December 1961, designed to renew the quota lists annexed to the above-mentioned long-term agreement of 27 November 1960, provides for trade in the amount of 55,500 million lire of which 29,500 million lire are for importation into Italy of Polish products and 26,000 million lire for Italian exports to Poland. The difference in value between our exports and Polish exports (5,000 million lire in 1961 and 3,500 million lire for 1962) should enable the Polish Government to settle the residual debt in its former clearing account with Italy and to pay for purchases made in Italy against deferred payment.

It may be seen from the foregoing figures that the total amount of contractual Italo-Polish exchanges for 1962 is about 18 per cent higher than that for 1961.

./.

Polish exports to Italy are made up mainly of the following items: hard coal and derivatives from its distillation, iron and steel, eggs, cattle, horses, swine, hides and coarse grains.

The following products represent the bulk of Italian exports to Poland: iron and steel products, laminated products, artificial and synthetic fibre yarns, miscellaneous machines, electrical appliances, bearings, chemical and pharmaceutical products and citrus fruits.

Since 1957 Italo-Polish trade has developed as follows:

(millions of lire)

	<u>1957</u>	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>
Imports from Poland	5,816	9,598	13,328	23,071	24,500
Exports to Poland	<u>9,938</u>	<u>11,954</u>	<u>10,462</u>	<u>12,714</u>	<u>18,483</u>
TOTAL	<u>15,754</u>	<u>21,552</u>	<u>23,790</u>	<u>35,785</u>	<u>42,983</u>

On 27 November 1960 the following agreements were also signed:

- The Agreement concerning capital and investment goods enabling Italian companies to furnish to Poland, outside normal trade, machines, equipment and plant against deferred payment for an amount of \$30 million in the four-year period 1961-64.
- The Agreement on technical and scientific co-operation designed to foster the development of technical and scientific co-operation between Italy and Poland and which accordingly affords various possibilities such as fellowship grants, organization of lectures and courses, the issuance of patents and licences, the study of plans for the setting up of new plants and so on.

