

GENERAL AGREEMENT ON TARIFFS AND TRADE

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ITALIAN SPECIAL CUSTOMS TREATMENT FOR CERTAIN PRODUCTS OF LIBYA

Request for Further Extension of Waiver

The following communication, dated 25 August 1964, has been received from the Government of Italy.

Under their Decision of 9 October 1952, the CONTRACTING PARTIES to the General Agreement on Tariffs and Trade waived the provisions of paragraph 1 of Article I of the General Agreement to permit the Government of Italy to grant special customs treatment to certain products of Libya. This waiver was granted for the period ending 31 December 1955.

By the Decisions of 25 November 1955, 20 November 1958 and 16 November 1961, the CONTRACTING PARTIES extended the validity of the Decision of 9 October 1952 until 31 December 1958, 1961 and 1964 respectively.

Under the Decisions of 25 November 1955 and 20 November 1958, a number of modifications were authorized in the list of products enjoying special customs treatment.

The annual reports presented by the Italian Government and by the Libyan Government show the development of trade between the two countries under the special regime. This development constitutes a substantial improvement in Libya's economic situation, in keeping with the undertaking given by Italy in 1951 to the United Nations Council for Libya.

Imports of Libyan products benefiting from preferential treatment have risen from 1,220 million lire in 1960 to 1,882 million in 1961 and 1,724 million in 1962. In 1963, the volume of imports under the special regime declined somewhat to 1,011 million lire. This decline was due entirely to the absence of any imports of Libyan olive oil because of a poor crop last year.

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In addition, the statistical data given in the annual reports show that the application of this treatment has not been detrimental in any way to other exporting countries.

In accordance with the Decision of 16 November 1961, the CONTRACTING PARTIES will have to review the situation at their forthcoming session, since the waiver for the special regime was granted until 31 December 1964.

The Italian Government has the honour to inform the CONTRACTING PARTIES that it has received a formal request from the Libyan Government for the maintenance of the special regime, and that it is prepared to accept that request.

The Italian Government hopes that the CONTRACTING PARTIES, after examining the situation, will grant the necessary authorization.