

EUROPEAN COMMUNITY

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ITALY ABANDONS "BUY-ITALIAN" MEASURES IN MOVE TO ABOLISH DISCRIMINATION IN COMMON MARKET

WASHINGTON, September 22 -- The Italian Government has removed two "buy-Italian" laws from the statute books in a move to conform with the Common Market's policy of non-discrimination in product origin, it was reported today at the headquarters of the European Economic Community in Brussels.

The first measure, passed as part of Italy's "Green Plan" in 1952 to aid Italian farmers, provided low-interest loans to farmers for purchase of agricultural machinery -- only if the equipment was of Italian manufacture. Under reform of the law, Italian agrarians are still entitled to the low-rate loans but may buy their agricultural machinery without regard to origin.

The second measure, enacted in 1949, exempted Italian buyers of new cars from payment of the national road tax for a period of six months -- again, provided the vehicles were of Italian manufacture. This law too has been amended to eliminate the buy-Italian provision.

Italy's action was taken in conformance with Article 92 of the Economic Community Treaty which reads in part:

"...any aid, granted by a Member State or granted by means of State resources, in any manner whatsoever, which distorts or threatens to distort competition by favoring a certain enterprise or certain productions shall, to the extent to which it adversely affects trade between Member States, be deemed to be incompatible with the Common Market [except] (a) aids of a social character granted to individual consumers provided that such aids are granted without any discrimination based on the origin of products concerned."