

an irrevocable commitment on the part of the institution. The bonds may be repurchased by the financing institution which will refinance them with Mediocredito;

(d) Under article 21, the medium-term and long-term credit institutions grant credits to foreign governments or central banks for "economic rehabilitation", receiving in exchange promissory notes which may be guaranteed by the Istituto Nazionale delle Assicurazioni up to 100 per cent of their nominal value and financed with Mediocredito.

224. The interest rate charged by the financing institutions for all credits granted under articles 20 and 21 is the same as that charged for medium-term suppliers' credits, that is, 5.90 per cent.

EXPORT CREDIT INSURANCE

225. The Italian export credit insurance scheme is administered by the Istituto Nazionale delle Assicurazioni, an autonomous government institution established in 1912 to engage in life insurance operations. The official scheme has not so far provided coverage for short-term suppliers' credits and covers only non-commercial risks in the case of medium-term and long-term suppliers' credits and financial credits. Short-term suppliers' credits may be insured against commercial risks with the Societa Italiana Assicurazione Crediti when granted to certain countries.

226. The global amount of guarantees which may be provided is laid down annually in the law approving the expenditure budget of the Ministry of the Treasury. It should be noted however that this ceiling applies only to guarantees issued during the year in question; any balance remaining uncommitted at the end of the year is carried over and added to the official ceiling for the following year. The annual guarantee ceiling has gradually been increased from Lit 30,000 million for the financial year 1953/54 to Lit 150,000 million for 1960/61 and Lit 300,000 million for 1963/64. The official annual ceiling has remained at that level in subsequent years, but as a result of the carrying over of uncommitted balances the *de facto* ceiling was Lit 450,000 million for the calendar year 1965 and Lit 532,000 million for the calendar year 1966.

227. The INA is authorized to insure on behalf of the Government the capital and interest of credits granted by Italian enterprises in connexion with the export of goods and services, the execution of projects abroad (including planning and projecting) and the sale of Italian products stocked abroad. Transactions carried out by the INA on behalf of the Government are supervised by a committee composed of a representative of the Ministry of Foreign Affairs, a representative of the Ministry of the Budget, two representatives of the Ministry of the Treasury (one from the Ragioneria Generale dello Stato (General Accounting Office) and the other from the Directorate General of the Treasury), two representatives of the Ministry of Industry and Commerce (one from the Directorate General of Industrial Production and the other from the Inspectorate of Private Insurance Enterprises), three representatives of the Ministry of Foreign Trade (one from the Directorate General for Commercial Ageements, one from the Directorate General for Foreign Exchange and the third from the Directorate General of Trade Development), a representative of the Ministry of Agriculture and Forests, a representative of the Ministry of Labour and Social Insurance, a representative of the Corte dei Conti (Court of Accounts), a representative of the Italian Foreign Exchange Office, a representative of the National Institute for Foreign Trade, a representative of the Italian Union of Chambers of Commerce, Industry and Agriculture, a representative of the private insurance companies and a representative of the INA.

228. The members of the Committee, including the Chairman and the Vice-Chairman, are appointed by decrees of the Minister of Foreign Trade in agreement with the Minister of the Treasury and the Minister of Industry and Commerce. Secretariat services for the Committee are carried out by the National Institute for Foreign Trade. The Committee is entrusted with the task of determining the insurance terms, approving the risks to be insured and verifying the validity of claims. Committee decisions are taken by a simple majority of members, provided that this majority includes the Chairman or Vice-Chairman, a representative of the Ministry of Foreign Affairs, a representative of the Ministry of the Treasury, a representative of the Ministry of Industry and Commerce and a representative of the Ministry of Foreign Trade. The Committee's decisions are transmitted to the Ministry of the Treasury and become executory twelve days after their date if the Ministry has not rejected them.