1. Legal and administrative basis of the restrictions

Provisions regulating imports in Greece are based on Law 936, 30 June 1979 "re: Amendment and supplementing of the Provisions concerning Foreign Trade, as well as abolition of related Provisions".

This Law abolishes the previous laws, decrees, etc. concerning foreign trade, as follows:

(a) Law 5426/1932 "re: Import Restrictions etc.";
(b) Emergency Law 1960/1939 "re: provisions Regulating Imports and Exports";
(c) Legislative Decree 480/1947 "re: constitution of Foreign Trade Administration";
(d) Article IV of Legislative Decree 2415/1953 "re: Readjustment of the rate of drachmae into foreign currency";
(e) Legislative Decree 2609/1953 "re: Control on prices of imports and exports";
(f) Articles I and II of Legislative Decree 3982/1959 "re: Ratification of Council of Ministers Act No. 163/23 January 1958 re: Minister of Commerce's Approval prior to any procurement from abroad";
(g) Paragraphs 1-4 of Article I of Legislative Decree 4551/1966 "re: Abolition of Foreign Trade Administration";
(h) Any provision not specifically mentioned in the previous paragraphs but contradicting the provisions of the present Law.

The Minister of Commerce may, by authorization of this Law, within the framework of the Government's economic policy and in accordance with the country's obligation from the International Treaties, Agreements or adjustments, with his Decisions, regulate any matter concerning the foreign trade policy.

Material supplied by the Commission of the European Communities and the Greek authorities.

86-0532
In execution of the above Law the joint Ministerial Decision No. 7900, 3 October 1979 re: "codification and supplementing of the provisions regulating the imports of goods from abroad" was issued by the Ministers of Finance and Commerce. (The co-operation of the Minister of Finance in the above-mentioned Decision judged necessary just for the imposition of fines while this Decision regulates exchange matters belonging only to the competence of the Minister of Commerce.)

In general, a free import system is applied in Greece according to the permanent governmental policy.

With a few exceptions, imports into Greece are not subject to quantitative or foreign exchange restrictions.

As regards the textiles and iron and steel products a special régime has been established.

2. Methods used in restricting imports

Imports can be divided into three categories:

(a) Products which can be imported freely;
(b) Products specified in Lists "A" and "B" attached to the Decision 8866/2822, 24 December 1980 of the Ministry of Commerce for which an import licence is required. It should be noted here that since 1 January 1981 the above lists have been unified;
(c) Products imported under the State-trading régime This category is referred to in Section 5 of this document.

Since 1 January 1981 also the distinction of procedures "D" and "E" has been abolished and the imports from all sources are now realized through the banks which are authorized for effecting actions on foreign exchange.

As regards the fine on prior shipment for whatever import list it has been abolished since 1 January 1981.

3. Lists A and B

Lists "A" and "B" consist of:

(a) Items included in the transitional adjustments of Greece's Accession Treaty (Annexes V and VI);
(b) Very few items subject to licence régime before Accession;
(c) Textile products; and
(d) Iron and steel products.

For the above-mentioned goods import licences are issued by a special committee on the basis of instructions given by the Ministry of Commerce.

For certain products included in lists A and B import licences are issued automatically in accordance with the Community provisions.
Import procedures and methods of payment

Imported goods can be paid for in cash either through the opening of documentary credit or against shipping documents, and for certain products by acceptance of time drafts.

Treatment of imports from different sources

Since 1 January 1981 starting date of the Accession Treaty application, the distinction of procedures "E" and "D" has been abolished.

Also since the same time space all bilateral agreements (clearing) have been terminated. As a consequence of these measures is to be applied the same import treatment for all sources, that is the same liberal import régime.

4. Commodities or groups of commodities affected by various forms of restrictions

In accordance with data for the way of payment of imported goods, the percentage of the goods imported by credit from 1 January 1984 until the beginning of October 1985 was fluctuated on an annual basis around 20 per cent, while the rest, imported in cash, for the same period, was about 80 per cent. Since October 1985 (date of economic stabilization measures) the said percentages have been changed to 50 per cent and 50 per cent respectively.

5. Imports under State-trading conditions

In accordance with the Article 40 of Greece's Accession Act the régime of monopoly for all the relevant items has been abolished since 1 January 1986.

6. Measures adopted since the last consultations

Since 1981 (year of the last consultations with Greece) the following measures have been taken.

1. Abolition since 1 January 1984 of the advance deposit system according to adjustments provided in the Accession Treaty. A relevant communication has been sent to the GATT;
2. Termination of the monopoly régime since 1 January 1986;
3. Exclusion of the Annex III, contained in the Accession Treaty, from the import list A and partial modification of the rest of the Annexes (V and VII);
4. Last October the Greek Government decided for reasons of balance-of-payment difficulties, to take some restrictive import measures in accordance with Article 108, paragraph 3 of the Treaty of Rome.
More concretely a number of products representing 35 per cent of total imports (except crude oil) was decided to be subject to a prior deposit system.

The above-mentioned items are divided into two categories:

(a) Those for which a prior deposit of 40 per cent of their value is required; and
(b) Those for which a prior deposit of 80 per cent of their value is required.

The above deposits are not refunded before the end of the time-limit of their retention (six months), even if the final settlement of the value of the commodity is effected within that time-limit.

The above-mentioned lists were submitted to the GATT by the EEC and Greece. These lists are contained in the document L/5945/28 January 1986.

In recent years the trends in the trade balance have been as follows:

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<tr>
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</thead>
<tbody>
<tr>
<td>Imports</td>
<td>8,911</td>
<td>9,968</td>
<td>9,633</td>
<td>9,617</td>
<td>10,189.8</td>
</tr>
<tr>
<td>Exports</td>
<td>4,234</td>
<td>4,286</td>
<td>4,459</td>
<td>4,814</td>
<td>4,565.5</td>
</tr>
<tr>
<td>Ratio of exports to imports</td>
<td>47.5%</td>
<td>42.9%</td>
<td>46.2%</td>
<td>50.0%</td>
<td>44.8%</td>
</tr>
</tbody>
</table>

Source: National Statistical Service of Greece.

Also, according to data provided by the Bank of Greece, the balance of current transactions of Greece shows the following picture:
<table>
<thead>
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</thead>
<tbody>
<tr>
<td>Import payments</td>
<td>11,468.1</td>
<td>10,068.2</td>
<td>9,491.3</td>
<td>9,744.8</td>
<td>10,541.0</td>
</tr>
<tr>
<td>Export earnings</td>
<td>4,771.3</td>
<td>4,141.3</td>
<td>4,105.4</td>
<td>4,394.0</td>
<td>4,290.0</td>
</tr>
<tr>
<td>Trade balance</td>
<td>-6,696.8</td>
<td>-5,926.9</td>
<td>-5,385.9</td>
<td>-5,350.8</td>
<td>-6,251.0</td>
</tr>
<tr>
<td>Invisible receipts</td>
<td>6,482.0</td>
<td>6,097.6</td>
<td>5,529.2</td>
<td>5,288.7</td>
<td>5,228.0</td>
</tr>
<tr>
<td>Invisible payments</td>
<td>2,206.2</td>
<td>2,055.8</td>
<td>2,019.2</td>
<td>2,068.0</td>
<td>2,265.0</td>
</tr>
<tr>
<td>Balance on invisibles</td>
<td>4,275.8</td>
<td>4,041.8</td>
<td>3,510.0</td>
<td>3,220.7</td>
<td>2,963.0</td>
</tr>
<tr>
<td>Balance on current</td>
<td>-2,421.0</td>
<td>-1,885.1</td>
<td>-1,875.9</td>
<td>-2,130.1</td>
<td>-3,289.0</td>
</tr>
</tbody>
</table>