Greek Special Import Duty: Decision delayed

On 27 November 1951 the Greek Government imposed a tax on certain imported goods. This tax, which led the French Government to raise the matter at this Session of the Contracting Parties as contrary to the terms of Article III, was repealed on 31 December 1951. It was replaced by new regulations which were intended by the Greek Government indirectly to counteract the depreciation of the drachma. These regulations imposed a tax on foreign exchange to be collected by the Bank of Greece, half at the time of opening of the credit and half at the time of final settlement in foreign currency. When the matter was originally discussed at a plenary meeting (press release GATT/86) the French Delegation maintained their view that the measures were not in accordance with the GATT and after a general debate the Contracting Parties decided to refer the matter to the Panel on Complaints.

The Panel found that there were many complicated issues involved and that there was not sufficient information available at the present time as to the nature of the tax system or the method of its application to enable them to determine whether it fell within the terms of Article III, or within the terms of other GATT obligations. Therefore the Panel has suggested and the Contracting Parties have agreed that additional information should be requested regarding the operation of the Greek tax system in question. The Contracting Parties will also address an enquiry to the International Monetary Fund. This procedure will, it is expected, enable the Contracting Parties to deal with the matter at their next Session.