INVENTORY OF MEASURES APPLIED BY GREECE

Submission by the Delegation of Romania

1. At its meeting on 10 July 1981, the Working Party agreed that the secretariat, with the co-operation of the EC and other interested delegations, would endeavour to prepare an inventory of relevant measures affecting agricultural and industrial products operated by Greece immediately prior to its accession to the EC, and by the EC of Ten (Spec(81)36/Rev.1, paragraph 22).

2. The following note has been submitted by the delegation of Romania.

I. TRADE REGIME OF GREECE BEFORE ITS ACCESSION TO THE EEC

1. Prior to the accession of Greece to the EEC, Romania received non-discriminatory treatment, as a GATT member country, for its exports to Greece. The quantitative restrictions maintained by Greece on certain products were applied vis-à-vis all contracting parties to GATT on a non-discriminatory basis. This trade régime in respect of Romania was confirmed by the Greek authorities at the time of Romania's accession to GATT (15 October 1971) and was reiterated on the occasion of notifications made in connexion with periodic consultations between Romania and the CONTRACTING PARTIES within the framework of the Working Party on Trade with Romania.

2. The practical application by Greece of the quantitative restrictions still maintained has not been of a limitative or restrictive character for trade exchanges. For example, for products of interest for Romania's exports to Greece, the annual protocols annexed to the bilateral trade agreement stipulated only a few indicative levels which could be exceeded in the course of the year, so that they were of a non-restrictive character.

II. TRADE REGIME OF GREECE AFTER ITS ACCESSION TO THE EEC

1. Under pretext of adopting the common trade policy of the EEC, Greece is still maintaining, in respect of imports into Greece from certain contracting parties to GATT, including Romania, a number of quantitative restrictions which have been liberalized in general vis-à-vis most contracting parties to GATT. This means that, for the first time in the import régime of Greece, quantitative restrictions of a discriminatory character are being imposed that are not consistent with the provisions of Article XIII of the General Agreement (from the technical aspect
these restrictions can be identified through a comparative examination of EEC regulations No. 1015/81 and 3286/80, as well as by comparing the first and second parts of Annex V to the Act concerning the conditions of accession of the Hellenic Republic to the European Communities (Official Journal L 291/1979)).

2. Romania considers that the formation of a customs union that leads to the establishment of quantitative restrictions of a discriminatory character vis-à-vis certain contracting parties to GATT cannot be consistent with the general principles of the GATT nor with its provisions in that respect. To accept the application to new acceding countries of the EEC concept that the import régime in respect of GATT contracting parties can be regulated differently on the basis of considerations not consistent with the principles of GATT implies serious prejudice to one of the fundamental principles of GATT, namely that of non-discrimination. For this reason, we consider it a priority task for the forthcoming work of the GATT Working Party on Accession of Greece to the European Communities to ensure the non-discriminatory character of all regulations of commerce, in accordance with the fundamental principles of GATT: this should be carried out before any statistical exercise regarding the general effects of accession of Greece to the EEC.

3. Where Romania is concerned, the maintenance of additional restrictions on imports into Greece in relation to the majority of third countries that are contracting parties to GATT is contrary to:

- the provisions of the Protocol for the Accession of Romania to GATT, which specifically mentions the fact that contracting parties to the General Agreement shall not increase the discriminatory element in quantitative restrictions applied to imports from Romania (Part I, paragraph 3(a)), and contrary to the provisions of Article XIII of the General Agreement regarding the non-discriminatory administration of all restrictions;

- the provisions of the Agreement on trade in industrial products concluded between Romania and the EEC, which also covers relations between Romania and Greece, and which stipulates in Article 3:3 that "the Community undertakes not to introduce any new quantitative restrictions or measures having equivalent effect on imports, and to apply to Romania any general measures it may take in the future to remove quantitative restrictions on imports in respect of the member countries of GATT".

4. Because of the change - from non-discriminatory to discriminatory - in the nature of the restrictions on imports into Greece, the competitive position of Romania's exports is affected from the aspect of conditions of access and the additional formalities to be completed by importers in relation
to imports from the majority of third countries; this is equivalent to more restrictive regulations of commerce and to a trade barrier not consistent with the provisions of Article XXIV:4 and 5(a) of the General Agreement.

5. The quantitative restrictions applied by Greece following its accession to the EEC are administered in a way that is restrictive in relation to the earlier period. Access to the Greek market has been impaired following that country's accession to the EEC by reason of the establishment of quotas (Annexes V and VI to the Treaty of Accession) and by the introduction of other additional quotas of a discriminatory character. Furthermore, the establishment of global quotas and their allocation by country has not been carried out consistently with the relevant GATT provisions, i.e. taking into consideration past export performance of the product concerned in a previous representative period. To take into consideration the percentage of one country in the total trade of Greece (15 per cent in the case of Romania) as a criteria for the country-by-country allocation of global quotas is arbitrary and leads to an artificial situation that disregards traditional trade flows for each product concerned. This mode of allocation means that the global quota is not accessible in practice to countries that are not exporters of such products, while traditional exporters are adversely affected by the absence of the quotas they previously had at the level of their export possibilities.

We consider that all these aspects constitute more restrictive regulations of commerce and a trade barrier, contrary to the provisions of Article XXIV:4 and 5(a) of the General Agreement, and that, under the terms of reference of the GATT Working Party, they should be examined in detail by that body.