

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Working Party on Accession of Greece to the European Communities

NOTE BY THE PRESIDENT

Meeting on 14 July 1980

1. The Working Party on Accession of Greece to the European Communities (EC) held its second meeting on 14 July 1980 in order to establish which type of additional documentation was required for the Working Party to carry out its mandate.

2. The spokesman for the EC said that the following documentation would be supplied to the Working Party by the EC as soon as the data were available, i.e. in the autumn:

- (a) the Common Customs Tariff (CCT) as of 1 January 1979, published in the EC Official Journal of 1 December 1978, reference L 335;
- (b) the CCT as of 1 January 1980, published in the EC Official Journal of 31 December 1979, reference L 342;
- (c) the post-MTN list of consolidations by the EC, embodying
 - (i) the results of the negotiations under Article XXIV:6 after the first enlargement of the EC, as modified in 1977 following the changes in the CCC nomenclature;
 - (ii) the Tokyo Round results;
 - (iii) concessions resulting from negotiations under Article XXVIII;
- (d) the list of duties as provided in various agreements that the EC had concluded with third countries, published in the EC Official Journal of 10 April 1980, reference C 88;
- (e) a list of concordances between the tariff lines in the CCT and the Greek tariff, with breakdown when necessary;
- (f) statistics of EC imports covering the last three years (1977-79);

(g) documentation for Greece as follows:

- (i) the Greek tariff;
- (ii) the list of consolidations by Greece;
- (iii) the ad valorem equivalents of Greek specific and compound rates;
- (iv) statistics of Greek imports covering the last three years (1977-79).

3. In response to a question, the spokesman for the EC noted that the documentation to be provided would answer many of the specific questions posed by members at the first meeting of the Working Party. Where this was not the case, supplementary answers to relevant questions would, where possible, be given at the next meeting of the Working Party.

4. The main points made during the discussion concerned questions relating to variable levies, bound and applied tariff rates and the import régime by Greece.

Variable levies

5. A number of questions were raised concerning information to be provided on variable levies, including ad valorem equivalents. The spokesman for the EC replied that the point of view of the EC in this regard had not changed since the 1972-73 Working Party. It made no sense to provide ad valorem equivalents for variable levies which, by their very nature, were subject to frequent changes over time. It was out of the question to examine the Common Agricultural Policy of the EC in the Working Party. As provided by the terms of reference of the Working Party, only the provisions of the documents concerning the accession of Greece to the EC had to be examined in the light of the relevant provisions of the General Agreement. The replies given by the EC to the questions raised on this matter at the first meeting of the Working Party remained valid.

6. Several members of the Working Party disagreed with the previous speaker and stressed that detailed information on variable levies was required for the Working Party to conclude satisfactorily its task. One member pointed to the inappropriateness of the EC unilaterally exempting the agricultural sector from the scrutiny of the Working Party. Another member stated that his delegation could not accept the view that the levy system should be disregarded from the examination of the Working Party since the EC had entered into several undertakings in this respect during the MTN.

7. One member said that the EC delegation had itself admitted that variable levies had an impact on trade; the Working Party needed to evaluate this impact and the effect variable levies would have on Greek agricultural imports following the accession of Greece to the EC. This member queried the right of the EC unilaterally to determine what information it would or would not provide in response to legitimate, relevant requests from contracting parties. He cited the provisions of Article XXIV:7(a) which he interpreted as giving the parties to the proposed customs union no choice other than to provide the information sought. In response to this member's request to the President for confirmation of that interpretation, the President agreed that such an obligation did exist, adding that where a contracting party was not in a position to provide the information requested, there was no means of compelling it to do so. However, this situation could be taken into account when the Working Party arrived at its final conclusions.

8. The member referred to above felt that, as the information requested on variable levies was readily available and regularly published, there could be no question of the EC not being in a position to provide it, but simply refusing to do so. As to such a refusal being taken into account in the Working Party's conclusions, he suggested that without information on variable levies, no meaningful conclusions could be drawn. He added that, unless the information requested was provided, he might at a later stage request that the Working Party suspend its work until this issue was resolved and the requested information made available.

9. The spokesman for the EC, while reiterating the view expressed earlier on, took note of the requests for information on variable levies and their effects on trade. The position of the EC was clear and it was normal that other delegations should have their own: it seemed useful, however, to recall that the Working Party on the first accession had completed its work without the EC having furnished ad valorem equivalents for variable levies.

10. In reply to a question as to the kind of information that had been provided in the Working Party on Accession of Denmark, Ireland and the United Kingdom, it was pointed out that GATT document L/3818 of 14 February 1973 contained a complete list of the documentation supplied at that time. It was confirmed that no information had been furnished on ad valorem equivalents for variable levies.

Legal and applied tariff rates

11. The spokesman for the EC said that information contained in the CCT covered both agricultural and industrial products. The CCT contained information on legal rates and in cases where these rates were suspended on

a semi-permanent basis, on applied rates. However, for the purposes of the Working Party, only the bound rates were of relevance.

12. Several members of the Working Party stated that the presentation of applied rates, in addition to the bound or legal rates, was necessary in order to assess the general incidence of duties and other regulations of commerce in terms of Article XXIV:5.

13. Following the request made by a member of the Working Party, the spokesman for the EC stated that, for both the CCT and the Greek Tariff, the ad valorem equivalents of specific and compound duties would be provided, together with information on the methodology used for determining those equivalents.

Import régime of Greece

14. One member of the Working Party requested that the parties provide information on the Greek import régime before and after accession to the EC, particularly with regard to quantitative restrictions, as well as the measures that Greece was to introduce on the basis of Article 22 of the Act and Council Decision 75/210/EEC of 27 March 1975, as amended by Decision 79/252/EEC of 21 December 1978, according to which Greece had to open yearly quotas for certain countries. Another member supported this request for more detailed information on the Greek import régime.

15. The spokesman for the EC and the representative of Greece stated that they would endeavour to meet these requests. They recalled that the biennial report on the 1962 Association Agreement provided an opportunity to compare the evolution of the trade links between the EC and Greece, and the biennial examination of developments in the Greek balance of payments afforded full information on the import régime of Greece.

Further work of the Working Party

16. The President reiterated that all members of the Working Party had the right to submit further questions to the secretariat for circulation, and urged the parties to the Act to do their utmost to provide all the information sought.

17. The Working Party agreed to meet again in the autumn as soon as the information from the parties to the Act was received and circulated to the members of the Working Party. The date of the meeting would be fixed by the President in consultation with the members of the Working Party.