

GENERAL AGREEMENT ON  
TARIFFS AND TRADE

RESTRICTED

L/97

25 June 1953

Limited Distribution

Original: French

SCHEDULE XXV - GREECE

Increase of "Additional" Coefficient for the Conversion  
of Specific Rates of Duty

Note of 13 June 1953 from the Greek Government:

"According to the Note attached to Schedule XXV of the Annecy Protocol - containing tariff concessions made by Greece - referring to the cases mentioned in that list where a specific duty is applied, the sum payable in Greek legal currency would be equal to the amount in drachmae multiplied by the pre-war coefficient in force for each position for converting metallic drachma into paper drachma, multiplied by the additional coefficient of conversion 228, provided that the value of the gold sovereign in terms of Greek currency was approximately 228,000 drachmae on the date when Schedule XXV became effective; otherwise the additional coefficient of conversion would be established in accordance with paragraphs 2 and 3 of the above-mentioned Note.

"Moreover, according to paragraph 4 of the same Note, Greece undertook to inform promptly each of the contracting parties of any modification made to the additional coefficient.

"This coefficient was established by Section 2 of Law 1419/50 at 225 drachmae; at the time when that Law was in force, the value of the gold pound was approximately 225,000 drachmae. Now, since the revaluation of the drachma on 9 April 1953, the price of the gold pound has been about 300,000 drachmae. The Greek Government is thus entitled to increase the said additional coefficient of conversion of the initial value of the metallic drachma from 225 to 300. Under the draft Legislative Decree laid before the Chamber on 28 April 1953 concerning "the regulation of certain tariff questions and the modification of the luxury tax on articles imported from abroad", the basic coefficients of conversion for obtaining the value of the metallic drachma have, since the morning of 29 April 1953, been multiplied by the additional coefficient of 300.

"The raising of this coefficient from 225 to 300 became necessary because the value in drachmae of goods imported from abroad has doubled since the devaluation of the drachma and, consequently, the duty levied on each article has dropped by one half since the readjustment of the value of the drachma. It is logical, therefore, that the rate of duty on each article should be doubled so that the value of the duties levied before the revaluation of the drachma should be maintained. Since, however, according to the above-mentioned Note, the consolidated pre-war coefficients cannot be increased, and the additional coefficient may not be higher than 300 according to Greek law, because the value of the gold pound is 300 times greater than the pre-war pound, the change in the additional coefficient has been limited to an increase from 225 to 300. Consequently, the specific duties have, for the moment, only been readjusted to the extent of 33 per cent, although they should normally have been raised by 100 per cent, as occurred in the case of ad valorem duties.

"I should be grateful, therefore, if you would be so good as to inform the members of the GATT of the modification from 225 to 300 made in the additional coefficient of conversion of the metallic drachma."