

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/346

5 March 1955

Limited Distribution

CONTRACTING PARTIES
Ninth Session

Original: French

SCHEDULE XXV - GREECE

Modification of Concessions on Item 12 a) 1) under the Procedures of Article XIX

The following communication has been received from the leader of the Greek delegation.

"The production of fruit occupies an important place in the Greek economy. This production fully meets the demand for local consumption and allows the export of considerable quantities of fresh and preserved fruit. During the year 1954, more than 20 million kilos of fruit, for a value of 76,023,000 drachmae (US \$2.5 m.) have been exported.

"Three years ago a programme of orcharding development was established with the technical assistance of the American Mission in Greece. This programme was financed by the Marshall Plan and designed to increase further the production of fresh fruit. The cultivation of fruit trees is consequently being extended to land which is not arable and is therefore not suitable for any other type of cultivation.

"It was considered necessary to give effect to this plan in view of the urgent need to raise the extremely low standard of living of a part of the population which has suffered most from the effects of the war.

"This branch of national production, and in particular the production of apples, suffered in 1954 from the effects of a sudden increase of imports which, in the month of November 1954, reached 100,000 kilos. The price of imported apples was drachmae 5.75 per kilo c.i.f., whereas the price of locally produced apples varies between 7.50 and 10 drachmae per kilo. This price difference is due to the cost of production which remains higher in Greece than in other countries.

"The Greek Government has had to meet this situation, which threatened an essential branch of its national production as well as the success of the orcharding development plan which it had elaborated and put into effect in collaboration with the American Mission. It has, therefore, been induced to resort to the provisions of the last sentence of paragraph 2 of Article XIX of the General Agreement to modify the duty in force for Item 12 a), 1) (apples), by raising it from drachmae 1.50 per 100 kilos to 20 per cent (plus 75 per cent

surtax) ad valorem. In view of the fact that the disposal of the apple crop takes place in the winter period, any delay in the imposition of the required measures would involve prejudice which it would be difficult to remedy.

"This modification is far from giving an advantage to national production and serves only to eliminate, up to a point, the great difference existing in favour of the price of imported apples. In fact, the price of the latter being 5.75 drachmae c.i.f., the amount, after the imposition of customs duty (20 per cent plus 75 per cent surtax), to drachmae 7.75, therefore reaching the lowest level of nationally produced apples which have prices between 7.50 and 10 drachmae per kilo.

"This measure having been taken in the spirit explained above, the Greek Government has already, in accordance with paragraph 2 of Article XIX of the General Agreement, entered into consultations with the Canadian Government with which alone this item of the Greek tariff had been bound. It should, however, be noted that since 1947 Greek statistics show no imports of apples from Canada, which tends to prove that the tariff binding in question has remained inoperative.

"I should therefore be grateful if you would bring this notification to the attention of the contracting parties and in particular of the contracting parties which have a substantial interest in the matter."

