

FOR IMMEDIATE RELEASE

No. 36/ 1978

December 22, 1978

COMPROMISE REACHED ON GREEK ENTRY TO EUROPEAN COMMUNITY

European Community and Greek negotiators reached agreement in Brussels this week on the most difficult problems affecting Greece's application for membership in the nine-nation Community.

In the early morning hours of December 21, both sides announced a compromise in the social and agricultural sectors, meeting the promise of EC Commission President Roy Jenkins to "break the back" of the Greek negotiations before the end of 1978.

The agreement paves the way for the expected signing of a treaty of adhesion in the first part of 1979, allowing Greece to become the 10th member of the European Community after the parliaments of Greece and the member states have ratified the treaty. The expected accession date is January 1, 1981.

Greece applied for membership in the Community on June 12, 1975, shortly after a military junta was overthrown. The nation had been an associate member of the Community since November 1962, but relations were frozen during the seven years of the military dictatorship. EC leaders were quick to welcome Greece's application for membership and to affirm their political support for democracy in the southern states of Europe.

Similar political support was given to Portugal and Spain when they applied for EC membership after establishing democratic government. Negotiations are now underway with both these countries, who are expected to join the Community later in the 1980s.

About three months of negotiations remain before a treaty can be completed with Greece, EC officials said today. Agreement must still be reached on such items as the budget, taxation and transport. Resolving the agricultural and social sectors of the treaty provided a major breakthrough.

The compromise, worked out by Commission Vice President Lorenzo Natali, who is in charge of enlargement for the Community, provides for a five-year period of transition for all Greek agricultural products, excepting fresh and processed tomatoes and fresh and canned peaches, which will have a seven-year transition period. A seven-year transition will also apply to the free movement of Greek workers into Community member states. More than 150,000 Greek migrant workers already employed in the Community will be given EC-guaranteed employment and social benefits upon Greek entry.

The Community also agreed to offer aids to certain Greek agricultural sectors, such as dried figs and raisins. Cotton will be considered an agricultural product; until now cotton had been considered an industrial product in the Community and was not covered by the Common Agricultural Policy. Concessions were also made by the Community on wine, citrus and olive oil. On sugar, Greece agreed to follow current EC rules.

Although Greece is a small nation of 9.2 million population, its largely rural economy and low-cost production of Mediterranean fruits and vegetables are expected to pose stiff competitive problems for the farmers of EC member states France and Italy. In addition, fear had been expressed by some member states, particularly Germany, that immediate free movement of Greek workers into the industrialized north would add to already existing unemployment and rising social costs.

The compromise agreement allows both the EC member states and Greece a transitional period for adjusting their economies to accommodate more easily the rules applied within a common market. The agreement with Greece is also seen by some political observers as setting a pattern for similar agreements in the social and agricultural areas with Spain and Portugal.