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INSTRUMENTS OF ACCESSION OF SPAIN AND PORTUGAL
TO THE EUROPEAN COMMUNITIES

SALIENT POINTS

The instruments of accession seal Spain's and Portugal's full membership of the European Communities. After signing by the governments of the Member States and acceding countries, they will enter into force once ratified by all the States, which have undertaken to conclude the ratification procedures in good time for accession to become effective from 1 January 1986.

From that date, Spain and Portugal will participate fully at all levels in the work of the Communities' institutions. To this end, the European Parliament will gain 60 Spanish and 24 Portuguese parliamentarians, the Commission 2 Spanish members and 1 Portuguese, the Court of Justice 1 Spanish and 1 Portuguese judge, the Economic and Social Committee 21 Spanish and 12 Portuguese members.

Each Member State has a weighted vote for Council decisions; Spain will have a weighting of 8 and Portugal a weighting of 5. The weightings of the present Member States range between 2 and 10.

From 1 January 1986, Spain and Portugal will thus be full members. From this date, the new Member States will be bound by all Community legislation - the original treaties establishing the Communities and the implementing measures, in other words, the "acquis" - subject to transitional measures and temporary derogations agreed on during the negotiations, these measures and derogations being restricted to those areas where application of Community rules immediately after accession would pose problems for one or other of the parties. These measures are transitional or temporary in that they will remain in force for only a given period. Wherever possible, the transitional measures are to be applied in stages so that the transition towards full application of the acquis can be smooth and gradual. When these measures expire, the acquis will apply in full and without exception, apart from a few quite exceptional special causes, for which the negotiators have provided for some limited permanent derogations.

The outline of transitional measures and temporary derogations is as follows:

- a period of seven years has been agreed for the attainment of the customs union for industrial products. During this period the customs duties on trade between the new Member States and the present Community will be progressively reduced in accordance with timetables which take account of the respective situations of Spain and Portugal, and they will be completely abolished at the end of this period. At the same time the new Member States will progressively align the customs duties they apply in respect of non-member countries on the Common Customs Tariff.

There are also to be transitional periods for the abolition of the last non-tariff measures applicable to intra-Community trade. For this type of measure the transitional period is significantly shorter, however.

This whole range of transitional, tariff and non-tariff measures forms a balanced set of reciprocal benefits the objective of which is to ensure, with the safeguard clause as a safety net during the transitional period, that the creation of the enlarged common market will take place without serious difficulties for the industries of the twelve member countries.

The adoption by the new Member States of the Community's commercial policy, both autonomous and contractual vis-à-vis non-member countries, will generally take place at the same pace as integration into the customs union.

A period of seven years has also been agreed on for the full establishment of the freedom of movement of workers. This does not affect Spain's and Portugal's access to the Social Fund immediately upon accession.

In agriculture, a special transition model has been agreed in Portugal's case, comprising a two-stage transitional period, each stage lasting five years, for most of the major agricultural sectors. The first stage will serve to pave the way for the adoption of the market organizations, which will be effected through transitional measures during the second stage. The transitional period for oils and fats will also be ten years, but it will be seven years

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for sectors in which there will be a traditional form of transition, with the exception of certain measures lasting ten years. Over the first ten years following accession Portugal will receive Community aid of 700 million ECU from the EAGGF for the execution of a programme to develop agricultural structures, notably in the spheres of production and marketing.

For Spain the agricultural transitional period will last seven years for most sectors, with the exception of certain measures which will last ten years. In the case of vegetable oils and fats and fresh fruit and vegetables, the transitional period will be 10 years, and in the case of fruit and vegetables it will comprise a four-year period commencing upon accession during which a check will be kept on convergence.

For fishing, the transitional period for trade varies between seven years and ten years (for the most sensitive products - sardines). On the issue of access to waters and resources, detailed arrangements (covering numbers of vessels, fishing areas and quotas for catches) have been made for integration into the system established by Community rules for as long as such rules are in operation, subject to any changes made by the Council when the arrangements are reviewed seven years after accession. Where access to the "Irish box" is concerned, it was decided to make the transition period 10 years.

The Act of Accession also contains transitional provisions concerning the new Member States' contributions to the Community's own resources. The approach adopted is the same as that adopted in the case of Greece. For six years, Portugal and Spain will receive, on a reducing scale, refunds of VAT or GNP/VAT contributions due from them. Furthermore, Portugal is to be exempt from contributing to the Community budget, in the first five years after accession, the customs duties and agricultural levies on imports of products being covered by the specific two-stage transitional arrangements. It was also decided that Portugal should receive 1000 million ECU as a loan over six years to help its balance of payments.

Lastly, the Act of Accession contains transitional measures covering relations between the two new Member States themselves. Broadly speaking these correspond to the measures applied by each of the new Member States to the existing Community, although provision is made for certain special rules in the customs union field. There are also provisions governing mutual access for fishery resources for a transitional period of ten years.

Those are very briefly the main results in the major economic and social chapters of the negotiations for the accession of Portugal and Spain. The accession instruments contain in addition a very large number of specific, detailed provisions relating to the above chapters and also to other fields covered by existing Community rules, such as taxation, right of establishment and freedom to provide services, capital movements, and so on. On the subject of regional policy, there is no provision for any transitional period; Portugal and Spain will be eligible for aid from the Regional Fund as from accession.

Following the signing of the accession instruments there will be an interim period until 31 December 1985. During this time Portugal and Spain will participate as observers in all Community activities that will continue beyond 1 January 1986. Preparations for accession will entail six months of intense activity directed essentially at four tasks:

- certain adjustments to existing Community rules and measures in order to implement the content of the Act of Accession in the Light of the outcome of the negotiations;
- the negotiation of adjustment and transitional protocols to the agreements linking the Community with the ACP countries, the EFTA countries and the Mediterranean countries;
- the adjustment of the Laws of the acceding states to take account of undertakings entered into as a result of the signing of the accession instruments;
- preparations in all the Community institutions for the appointment of officials of Portuguese or Spanish nationality.