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Report

drawn up on behalf of the Associations Committee

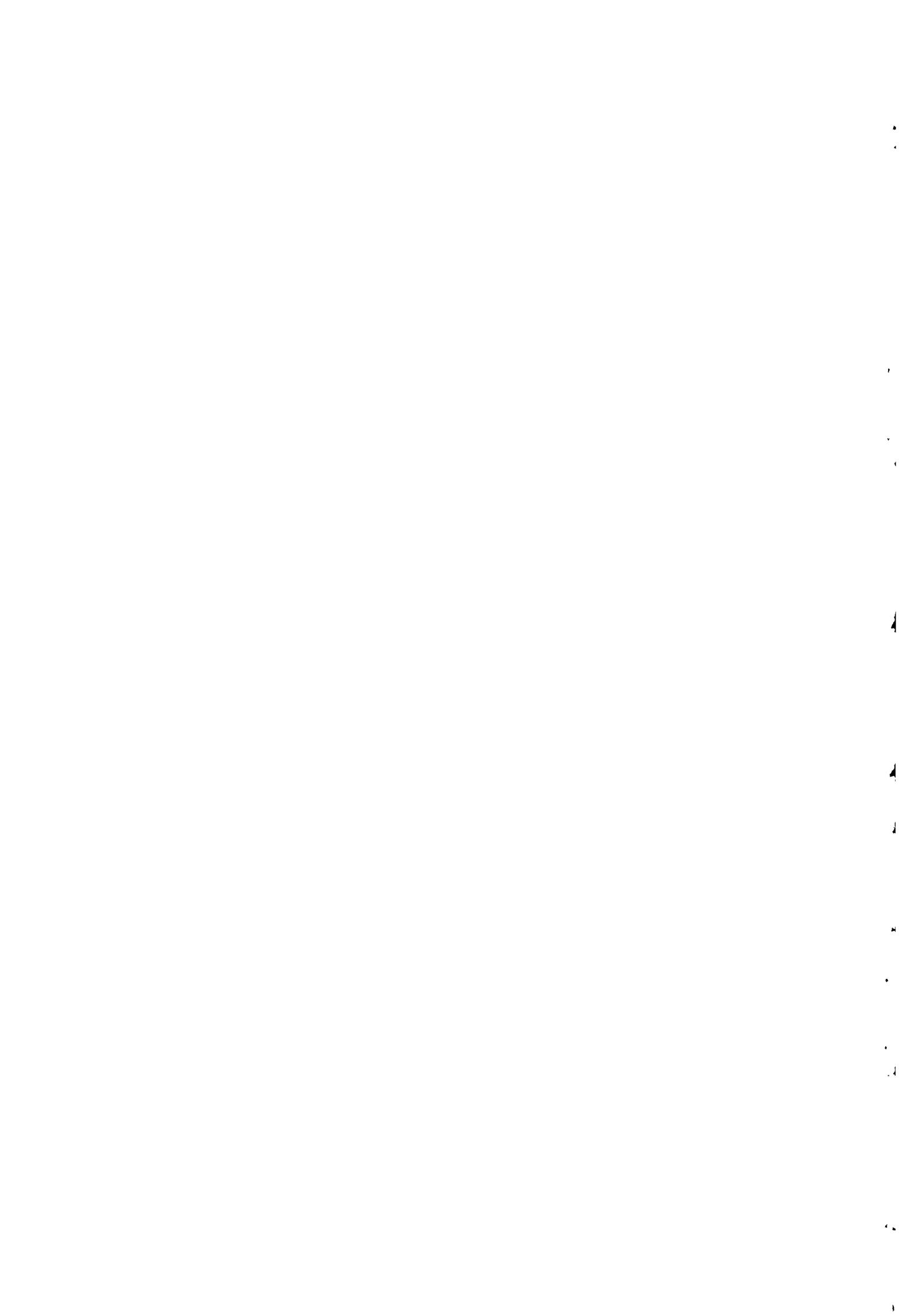
on the recommendations of the EEC-Greece Joint Parliamentary Committee
adopted in Athens on 27 June 1975 (Doc. 180/75)

Rapporteur: Mr P. CORTERIER

PE 41.769/fin.

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English Edition



By letter of 8 July 1975, the President of the European Parliament forwarded to the Associations Committee as the committee responsible and to the Political Affairs Committee for its opinion, the recommendations of the EEC-Greece Joint Parliamentary Committee adopted in Athens on 27 July 1975.

On 26 May 1975, the Associations Committee appointed Mr Corterier rapporteur.

It considered the draft report at its meeting of 29 October 1975, and unanimously adopted the motion for a resolution and the explanatory statement.

Present: Mr Schuijt, chairman; Mr Hansen and Mr de Clercq, vice-chairmen; Mr Corterier, rapporteur; Lord Bethell, Mr Boano, Mr Bourdellès, Mrs Carettoni Romagnoli, Mr Corrie, Mr Glinne, Mr Härzschel (deputizing for Mr Klepsch), Mr Lemoine, Mr Pintat, Mr Radoux, Mr Rivierex, Mr Vandewiele, Mr Vetrone.

The opinion of the Political Affairs Committee is attached.

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The Associations Committee hereby submits to the European Parliament the following motion for a resolution together with explanatory statement:

MOTION FOR A RESOLUTION

on the recommendations of the EEC-Greece Joint Parliamentary Committee adopted in Athens on 27 June 1975

The European Parliament,

- having regard to the recommendations adopted by the EEC-Greece Joint Parliamentary Committee at its ninth meeting held from 25 to 27 June 1975 in Athens (Doc. 180/75),
- having regard to the report by the Associations Committee and the opinion of the Political Affairs Committee (Doc. 351/75),
- 1. Approves the principles of the recommendations adopted on 27 June 1975 by the EEC-Greece Joint Parliamentary Committee;
- 2. Expresses its respect and its gratitude to all those who fought and suffered for the restoration of democracy and fundamental civil liberties in Greece;
- 3. Welcomes the desire expressed by all the Greek political forces to participate and cooperate in seeking, as quickly as possible, political and economic solutions which will enable Greece to move from associate to full membership of the European Communities;
- 4. Approves the request made by the EEC-Greece Joint Parliamentary Committee to the Council and Commission of the European Communities, to the Greek Government and to the governments of the Member States of the Community to speed up all the procedures laid down for considering the application for membership; considers it essential for an open and full discussion to be held on the economic and financial problems arising for both Greece and the Community as a result of Greece's application for membership; requests its appropriate committees to carefully follow progress in this sector;
- 5. Considers that with a view to the future accession of Greece to the European Communities existing relations between the two sides should be consolidated, and believes that the institutions of the Association should intensify their activities to take account of the new prospects and requirements;

6. Believes, in view of the new political situation and the new outlook for the development of relations between the two sides, that permanent arrangements for closer and fuller political consultation should be established between Greece and the Community;
7. Expresses its concern at the lack of progress on the Cyprus question during the negotiations last September and in particular that no solution has been found to the problem of the island's refugees;
8. Emphasizes the remarkable increase in trade between the two sides since the entry into force of the Association Agreement and draws attention to the deficit in Greece's balance of trade with the EEC; notes with satisfaction, however, that the deficit is diminishing;
9. Emphasizes the need for a major effort to modernize Greek agriculture so that it can be integrated into the Community agricultural market;
10. Considers it advisable for the present trend towards diversification of Greek exports to continue;
11. Hopes that the Additional Protocol signed on 28 April 1975 will be speedily ratified and put into effect as soon as possible;
12. Welcomes the entry into force on 1 July 1975 of the interim agreement designed to permit the early application of the trade provisions of the Additional Protocol;
13. Welcomes the results achieved at the meeting of the Association Council on 28 July 1975 in Athens as regards harmonization of the agricultural policies and hopes that the next consultations between Greece and the EEC will lead to concrete results that will facilitate the solution of the problems posed by Greece's application for membership;
14. Notes with satisfaction the progress made in trade between the two sides and the progress achieved towards the gradual abolition of customs duties in the sectors laid down in the Association Agreement; in fact, since 1 November 1974, the abolition of tariffs has created a customs union for two-thirds of all such trade;
15. Welcomes the efforts to rapidly utilize the balance of the first financial protocol and hopes that a new protocol can be implemented as soon as possible; notes with interest the Greek proposals to the EEC on the utilization of financial aid of this kind;
16. Requests the Commission of the European Communities to keep it informed of problems relating to the emigration of Greek workers to the Member States of the Community;

17. Instructs its President to forward this resolution and the report of its committee to the Council and Commission of the European Communities, to the Greek Parliament, to the parliaments of the Member States of the Community and to the Greek Government.

EXPLANATORY STATEMENTA. INTRODUCTION

1. The Joint Parliamentary Committee of the EEC-Greece Association held its IXth meeting from 25 to 27 June 1975 in Athens. The particular importance of this IXth meeting of the Joint Parliamentary Committee should be stressed because it was the first such meeting of the parliamentary body, as laid down in the EEC-Greece Treaty of Association, to take place after the long suspension of relations brought about by the situation in Greece following the coup d'état of 21 April 1967.

2. We note with satisfaction that several leading political figures attended the Athens meeting: it was addressed by Mr Papaconstantinou, President of the Greek Parliament, Mr Fitzgerald, Irish Foreign Affairs Minister and President of the Council of the European Communities, Mr Papaligouras, Minister for Coordination and Planning who spoke on behalf of the Greek Government, Mr Scarascia Mugnozza, Vice-President of the Commission of the European Communities, and by others. Moreover the Bureau of the Delegation of the European Parliament was received by the Prime Minister, Mr Caramanlis, with whom it had a brief discussion. The Athens meeting also enabled the delegates from both sides to consider a number of subjects of mutual interest in the economic, commercial, political, social and institutional fields.

3. Special attention was given to the problems of international policy in the eastern Mediterranean. The Greek side explained its position over its differences with Turkey and with regard to the political situation in Cyprus, referring especially to the refugee problem on the island,

4. Moreover, a great deal of time was devoted during the debates to agricultural and economic questions and to the subject of political cooperation which, it was stressed, was of major importance to future Greek membership of the EEC. Finally, consideration was given to the implications of the Greek application for membership of the European Communities submitted on 12 June 1975.

5. Three recommendations were adopted at the end of the meeting: these concerned political problems shared by the two sides, the function and strengthening of the institutions laid down by the Association Treaty, and economic and trade problems. We shall attempt below to outline each of the subjects dealt with during the meeting of the Joint Parliamentary Committee and to identify the common attitudes which became apparent during it and were set out in the recommendations adopted at the end of the proceedings.

B. THE GREEK APPLICATION TO JOIN THE EEC

6. On 12 June 1975 the Greek Government submitted an official application for membership based on Article 237 of the EEC Treaty, Article 205 of the EAEC Treaty and Article 98 of the ECSC Treaty.

It goes without saying that this application was treated as a central topic by all members throughout the Joint Parliamentary Committee's meeting.

7. The move from associate to full Greek membership of the EEC does of course give rise to many problems which will need to be fully resolved if Greece is to become a member.

It should be emphasized that most members were united in the conviction that Greek membership was useful and even necessary.

The problem of Greek accession was considered from the angle of its relations with Turkey and of EEC-Turkey relations.

8. In this connection the Greek side explained its own position. It was stressed that Greek membership should in no way prejudice the subsequent accession of Turkey. The latter would be able to join the EEC in accordance with the procedures and conditions laid down in the Association Treaty linking it to the Community. It was also pointed out that the accession of Greece could help in the search for a peaceful solution, based on democratic principles, to the problems at present at issue between the two countries.

9. The discussions also revealed that the Association Agreement had always been considered as a transitional arrangement with a view to future membership which was today justified by the political role which Greece had now come to play.

10. The Greek side also pointed out that its application had been lodged more for political than for economic reasons; this is important, since it will in all likelihood be easier to find solutions and reconcile mutual interests during the pre-membership period of adjustment if the negotiations are not concerned solely with economic matters: balancing the economic, financial and social considerations on the one hand with the political aspects on the other will make it possible to find solutions acceptable to both sides.

11. It was decided that the Joint Parliamentary Committee would request the Council and Commission of the European Communities, the Greek Government and the governments of the Member States of the Community to speed up all the procedures laid down for the accession of Greece to the European Communities.

12. The Commission of the European Communities was, finally, invited to proceed as soon as possible with the drafting of the opinion which it must deliver, pursuant to the Treaty establishing the EEC, and to keep the Joint Parliamentary Committee informed of the progress made.

C. COMMON POLITICAL PROBLEMS

13. In view of the international political problems faced by Greece, most obviously from Turkey, but also from the superpowers the non-aligned countries and the countries of the third world, most members agreed that permanent and effective political consultation between the EEC and Greece would help to strengthen joint action to safeguard peace through international cooperation.

14. Reference was made during the debate to the various issues currently dividing Greece and Turkey.

Although the Greek members of parliament explained their views on these issues, it became apparent that it was at present difficult to find a solution to them.

15. The Cyprus question has for over two decades been one of the most serious problems at issue between Greece and Turkey.

16. The Turkish side still proposed the setting up of a federal government in the island with strongly decentralized power, while the Greeks were insisting on the constitution of a single State with a highly centralized federal structure.

17. Parallel to the strictly political problem was a human one. A solution would have to be found which could provide all those who had been forced to abandon their homes with decent living conditions in terms both of comfort and health. These problems also have very serious consequences for the island's economic situation.

18. No substantial results have emerged from discussions between the two sides because it has proved impossible to find common ground between the two positions. Many members of the Joint Parliamentary Committee emphasized the urgent need to find a solution to the island's refugee problem, and pointed to the persistence of situations already deplored by the General Assembly and the Security Council of the UN whose resolutions, regrettably, had still not been implemented at the date of the meeting.

19. In this connection the results achieved on 2 August 1975 after the meetings in Vienna between the leaders of the two communities on the island, Mr Denktash and Mr Kliridis, are to be welcomed. Even if they cannot be described as fully satisfactory, they do at least constitute a first step towards a final solution to the island's refugee problem, which it is to be hoped will be found as soon as possible.

20. Such a solution, it is generally agreed, should provide for the complete resettlement from one zone of the island to the other of all those who wish it and medical and social help for all refugees who are still in difficulties.

21. The Joint Parliamentary Committee reaffirmed the fundamental interest which both Greece and the EEC had in restoring a just and durable peace in this part of the Mediterranean and, in this light, requested the Association Council to see that an effective system of political consultation was set up between Greece and the Community, to facilitate the democratic and peaceful solution, acceptable to all, of all political problems which arise.

22. The Joint Parliamentary Committee concluded its discussions on this theme by requesting the Association Council to see that an effective system of political consultation was set up between Greece and the Community to enable a solution to be found to political problems, particularly those of the Mediterranean region, and by calling on the governments of the Member States of the Community to intensify their action to restore a just and lasting peace while respecting the independence and the territorial integrity of the Republic of Cyprus, which was linked to the Community by an Association Agreement, and invited the Council and the Commission of the European Communities as well as the governments of the Member States to take effective and decisive action with a view to resolving once and for all the island's refugee problem.

D. ECONOMIC, AGRICULTURAL AND SOCIAL PROBLEMS

23. In applying to join the EEC, Greece is prepared to accept all the rules and decisions which membership involves, in particular all Community legislation and all procedures laid down in the Treaty of Rome. Greece has thus officially declared that this application implies the acceptance of all existing rules and legislation and the commitment to fulfil all future obligations of membership.

24. The Joint Parliamentary Committee welcomed the signing of the interim agreement to permit the early application of the trade provisions in the Additional Protocol which entered into force on 1 July 1975, enlarging the Association to include the three new Member States of the EEC. It also hoped that the Additional Protocol signed on 28 April 1975 would be speedily ratified and put into effect as soon as possible.

25. The application for membership must not be allowed to prejudice in any way the intensification and enlargement of the Association, because for many years to come relations between the EEC and Greece will in practice remain governed by the Association Agreement which forms the essential basis for eventual full Greek membership of the EEC.

26. A harmonization of agricultural policies accordingly constitutes the new and most important measure to be added to the free movement of goods and other provisions already in force.

The progressive harmonization of agricultural policies is essential if Greek agriculture is to be integrated into the machinery of the common agricultural policy.

27. When normal relations under the Association were restored, Greece, in a memorandum of August 1974, requested that the negotiations be resumed on the basis of the stage reached in 1967 when the agreement was frozen.

28. The problems which rank as most important in the agricultural sector are the following:

- (a) the harmonization of the agricultural policies of the EEC and Greece;
- (b) the re-entry into force of the regime preceding harmonization.

29. Agreement was reached in principle on agricultural policy at a meeting of the Association Council of 28 July 1975 in Athens. At the end of July the Commission forwarded a communication to the Council with its comments and suggestions. This communication can be summarized as follows: a major part of the new European Investment Bank loans should be used for structural improvements of Greek agriculture; EEC aid will also help to make possible the harmonization of the agricultural policies which are one of the main aims of the next stage of the Association; the EEC should be prepared to top up the Investment Bank loans with grants intended to finance a Greek Agricultural Guidance Fund which would work in much the same way as the EAGGF; the setting up of this Fund is necessary because it is not possible for Greece to benefit from the EAGGF; also proposed was a system of interest rebates on Investment Bank loans to be financed by the EEC.

The overall objective in modifying Greek agricultural structures would be to convert agricultural production with a view to making Community and Greek agriculture complementary rather than competitive.

30. As regards trade, the Joint Parliamentary Committee noted the very significant growth of trade between the two sides since the entry into force of the Association Agreement, and welcomed the tendency towards greater diversification of Greek exports which were currently made up of 32% agricultural products, and 68% industrial and manufactured products, whereas in 1962 the ratio was 80% and 20% respectively.

31. It should be pointed out that in recent years there has been a change in the pattern of Greek exports; they are better structured and more are sent to the EEC.

The structure of Greek exports changed radically between 1962 and 1972; in 1962, Greek exports consisted mainly of agricultural products and raw materials. After 1971, Greek exports to the Six increased enormously following the gradual dismantling of tariffs on Greek products. From a comparison of Greek trade with the Six and with EFTA, it emerges that while Greek exports to the Six increased, exports to EFTA countries fell from 18% to 8%.

32. As can be seen from the third column of Table I below, Greece had very close links with the Nine in 1973, more than 50% of its trade being with them.

33. Greece's association with the Community has thus been of much more benefit to Greek exports to the Six than to exports from the Six to Greece, a fact which should be emphasized in view of Greece's continuing balance of trade deficit.

TABLE I - Greece: (A) Total imports by origin, 1962, 1971, 1973
(B) Total exports by destination, 1962, 1971, 1973

	1962		1971		1973	
	\$ mio	%	\$ mio	%	\$ mio	%
(A) Total imports including imports from the Community ¹	701	100.0	2,098	100.0	3,473	100.0
EFTA	304	43.4	897	42.8	1,739	50.1
United States	148	21.1	296	14.8	x	x
Japan	67	9.6	139	6.6	288	8.3
Rest of world	x	x	x	x	243	7.0
(B) Total exports including exports to the Community ¹	182	26.0	766	36.5	1,203	34.6
EFTA	249	100.0	662	100.0	1,454	100.0
United States	88	35.3	319	48.2	799	55.0
Japan	45	18.1	54	8.2	x	x
Rest of world	19	7.6	59	8.9	94	6.5
	x	x	x	x	x	1.2
	97	39.0	230	34.7	544	37.4

¹ 1962, 1971 = Eur - 6, 1973 = Eur - 9

x included in rest of world

Source: Eurostat

34. Table II below shows that total Greek exports corresponded to 42% of its imports in 1973 as against 35.5% in 1962.

The improvement in Greece's balance of trade with the Community has thus helped to improve somewhat its total trade balance.

TABLE II - Development of foreign trade, 1962-1973, \$ mio.

	1962			1973		
	Total imports	Total exports	Trade balance	Total imports	Total exports	Trade balance
Germany	12,279	13,264	+ 984	51,750	63,824	+ 12,074
France	7,520	7,362	- 158	35,247	33,911	- 1,336
Italy	6,067	4,665	- 1,402	30,628	24,483	- 6,145
Netherlands	5,347	4,584	- 763	23,287	22,948	- 339
Belgium	4,555	4,324	- 232	20,847	21,279	+ 432
Luxembourg						
United Kingdom ...	12,578	11,059	- 1,519	45,350	35,626	- 9,724
Ireland	-	-	-	3,251	2,481	- 770
Denmark	2,123	1,630	- 492	7,344	5,902	- 1,442
Eur - 6	35,769	34,198	- 1,571	161,758	166,445	+ 4,686
Eur - 9	-	-	-	217,703	210,453	- 7,250
Greece	701	249	- 452	3,473	1,454	- 2,019

Source: Eurostat

35. The following conclusions may be drawn from an analysis of these two tables: firstly, the very large increase in Greek exports to the Community as a result of tariff dismantling; secondly, the benefits for the Greek compared to the Community economy from the point of view of both GNP growth and investment effort, improved economic structures and a higher standard of living. (See also Table III below for information).

TABLE III - Per capita gross national product, 1962-1972

	1962			1972		
	Popu- lation 1,000	GNP ¹ at market prices 1,000 mill Eur ₣	per ¹ capita GNP Eur ₣	Popu- lation 1,000	GNP ¹ at market prices 1,000 mill Eur ₣	per ¹ capita GNP Eur ₣
Germany	57,606	88.7	1,540	61,973	237.1	3,825
France	47,840	72.7	1,520	57,134	181.2	3,170
Italy	51,491	39.9	775	54,890	109.1	1,985
Netherlands	11,967	13.4	1,120	13,439	42.6	3,170
Belgium	9,290	13.0	1,400	9,742	32.5	3,335
Luxembourg	324	0.5	1,545	350	1.2	3,430
United Kingdom	53,673	80.2	1,495	54,021	149.3	2,765
Ireland	-	-	-	3,051	5.4	1,770
Denmark	4,644	7.4	1,580	5,027	19.4	3,860
Eur - 6	178,518	228.2	1,280	192,538	603.7	3,135
Eur - 9	-	-	-	256,627	777.8	3,030
Greece	8,500	3.9	460	8,950	11.6	1,295

¹ at current prices and exchange rates
 ₣ Eur = value of the dollar before devaluation (for Eur parities in the national currencies see Eurostat, basic statistics of the Community)
 Source: Eurostat

During the first period of association, Greece's economic situation became much more similar to that of the Community. This should facilitate fuller and speedier integration of Greece into the Community.

36. It was stressed during the debate that in the setting up of a common market between the EEC and Greece an important step had already been taken as regards exemption from customs duties and charges having equivalent effect, because since 1 July 1968 Greek industrial products exported to the Community had been exempt from such duties and charges and the original Member States of the EEC had reduced duties on the agricultural products listed in Annex III to the Association Agreement by 100%.

37. It was also pointed out that since 1 November 1974 Greece had abolished customs duties and introduced the common external tariff for all products subject to the transitional period of 12 years and that as a result about two-thirds of Community goods exported to Greece were already exported on customs union terms, while the basic duty on the remaining third, which had already been reduced by 36%, was reduced by 44% on 1 July 1975.

E. THE FINANCIAL PROTOCOL

38. Protocol No. 19 (financial protocol) is annexed to the Association Treaty.

It was instituted with a view to developing the Greek economy and facilitating the achievement of the Agreement's objectives.

It laid down that the loans granted by the European Community through the European Investment Bank should be used to finance investment projects designed to improve the productivity of the Greek economy. The first financial protocol provided for a loan to Greece of not more than 55.75 million US dollars. Part of this loan had already been made available, but 12 million dollars had still not been taken up when relations were frozen.

39. When normal relations under the Association were resumed Greece requested permission to make use of the funds remaining under the financial protocol and to begin talks with a view to concluding a new financial protocol.

40. On 2 December 1974 the Association Council authorized Greece to take up the balance of the first financial protocol.

41. Greece made a number of proposals on the conclusion of a second financial protocol at the meeting of the Association Council held on 28 April 1975 in Brussels.

42. The Community Council informed the Greek Government at the last meeting of the EEC-Greece Association Council on 28 July 1975 in Athens that it would begin consideration of the question of the new financial protocol in September.

The Commission's proposals are at present being studied by the Nine in preparation for the Council's deliberations.

We note with satisfaction the results of the Association Council's meeting of 28 July 1975 and feel that the new financial protocol should be concluded as soon as possible in view of the essential part which the aid will play in the harmonization of agricultural policies, a step which will enable Greece to become a full member that much sooner.

EEC Trade 1974

ANNEX

Mio Eur.

	IMPORTS			EXPORTS			Overall Trade Balance
	Intra EEC	Extra EEC	Total	Intra EEC	Extra EEC	Total	
Germany	2227.2	2405.2	4632.4	2678.8	3287.0	5965.8	+1333.3
France	1677.7	1843.8	3521.5	1626.2	1432.2	3058.4	-463.1
Italy	1154.3	1572.5	2726.9	914.8	1102.8	2017.6	-709.3
Netherlands	1270.9	943.6	2214.5	1554.7	644.1	2198.8	-15.7
Belg-Lux	1303.4	673.6	1976.9	1314.5	564.7	1879.2	-97.7
United Kingdom	1082.3	2524.4	3607.7	859.0	1716.5	2575.5	-1032.2
Ireland	173.5	80.6	254.1	131.2	44.2	175.5	-78.6
Denmark	301.0	360.3	661.3	221.1	293.8	515.9	-145.4
	Eur. 9	EEC Trade with Selected Countries Eur. 6		1973 Eur. 6		1000 Eur.	
Cyprus	88,891	29,555		197,576	111,838		
Greece	754,004	655,208		1,607,310	1,369,335		
Malta	49,620	24,936		121,938	69,804		
Portugal	766,248	332,372		1,196,767	875,106		
Turkey	568,976	477,037		934,025	767,038		

Source: Eurostat Foreign Trade Monthly Statistics - 3.5.75

EEC

Balance of Payments

Mio Eur.

Goods and Services	1973	1974	1973	1974	1973	1974
	CREDIT		DEBIT		NET	
Germany		87 685		74 961		12 724
France	38 490 *		37 405 *		1085 *	
Italy		32 727		38 932		-6 205
Netherlands		34 216		32 617		1 599
Belg-Lux		27 128		26 215		913
Ireland	2 188 *		2 536 *		-348 *	
Denmark		8 740		9 668		- 928
United Kingdom		46 405		52 813		- 6 408
	Selected Countries		million \$ 1973			
Cyprus	424.8		509.1		- 84.3	
Greece	2 698		4 617.9		-1919.9	
Malta	not available		not available		-42.0	
Portugal	2 935		2 555		380	
Turkey	2 596		2 099		497	

*Figures for 1974 not available

OPINION OF THE POLITICAL AFFAIRS COMMITTEE

Rapporteur: Mr J. SCOTT-HOPKINS

On 2 October 1975, the Political Affairs Committee appointed Mr Scott-Hopkins draftsman of an opinion on the recommendations of the EEC-Greece Joint Parliamentary Committee adopted in Athens on 27 June 1975 (Doc. 180/75).

It considered the draft opinion at its meetings of 2/3 October and 22/23 October 1975 and adopted it unanimously at the latter meeting.

Present: Mr Giraudo, chairman; Lord Gladwyn, vice-chairman; Mr Scott-Hopkins, draftsman; Mr Achenbach, Mr Amendola, Mr Andreotti, Mr Berkhouwer, Mr Bertrand, Mr Blumenfeld, Lord Castle, Mr Delmotte (deputizing for Mr Radoux), Mr Durieux, Mr Espersen (deputizing for Mr Knud Nielsen), Mr Fellermaier (deputizing for Mr Behrendt), Mr Guldberg (deputizing for Mr Lenihan), Mr Kirk, Mr Klepsch (deputizing for Mr Jahn), Mr Lücker, Mr de la Malène, Mr Mitchel, Mr Patijn, Mr Scelba, Mr Stewart and Mr Vandewiele (deputizing for Mr Colin).

The delivery by the Political Affairs Committee of its opinion on the recommendations of the EEC-Greece Joint Parliamentary Committee (1) is a suitable juncture for considering not so much the present state of relations between the Community and this associated state but more particularly the long-term prospects of the Community's enlargement, which the Greek application for membership has opened up.

The Political Affairs Committee - which together with the Committee on the Association with Greece had submitted the motion for a resolution adopted by Parliament in May 1967 (2), which condemned the interruption of democratic and parliamentary life in Greece following the Colonels' putsch, - can only reaffirm (3) its profound satisfaction at the full restoration of parliamentary democracy in Greece through a return to the principles of the 1952 constitution and the formation of a civilian government sanctioned by free elections.

The committee welcomes particularly the fact that parliamentary contacts between the Community and Greece, suspended after the military coup and the consequent dissolution of the Greek Parliament, have been restored.

These contacts make possible the exercise of that parliamentary control and that political drive which are essential for the pursuance and extension of the aims laid down by the Treaty of Athens, especially in the new context created by the Greek Government's application for membership of the Community.

The Political Affairs Committee welcomes the Greek Government's request for membership of the Community believing that the eventual accession of Greece to the Community will enhance the democratic structure of Europe. It is, of course, axiomatic that joining the Community should be of benefit to both sides.

(1) The recommendations in question are Nos. 1 and 2, falling directly under the Political Affairs Committee's terms of reference, while recommendation No. 3 is concerned with the Association's economic problems.

(2) Doc. 55 of 11 May 1967 - OJ No. 103 of 2 June 1967.

(3) See the Corterier report on the Association between EEC and Greece (doc. 237/74).

The Community at the moment is embroiled in plans for the direct elections of its Parliament within three years by 1978 and more important perhaps towards European Union with all its implications within five years by 1980. During the forthcoming negotiations between the Community and Greece these plans and their ramifications must obviously be taken into consideration and play a priority role.

Besides these important long-term aspects it will be essential to develop appropriate ways and means in the course of the accession negotiations to make sure that Greece can respond to the requirements of full membership of the Community in the economic and social field.

On the other hand the forthcoming negotiations between the Community and Greece should and could serve as a model for future negotiations with the other special associated member of the Community: Turkey, which is equally a potential candidate for full membership.

The Political Affairs Committee in this context expresses also the hope that the development of ever closer links between the Community and Greece and Turkey will contribute to a peaceful solution of the crisis of Cyprus, but feels it should point out that there could be a danger of the Community becoming involved as a participant in the dispute between Greece and Turkey.

The strengthening of the Association agreement with the aim of the eventual accession of Greece, and the still distant, but not unrealistic, prospect of the future membership of other Mediterranean countries - especially if the essential institutional democratisation takes place in one of them - would, in addition, restore the geographical balance of the Community, which in consequence of the enlargement has shifted towards the north of Europe. In this way, more concrete expression would be given to the desire of those Member States which

are not thus geographically placed for a Mediterranean involvement equal to that of countries which border that sea (1) as also to the Community's desire to join within its ranks, for economic and social progress, not only the economically more developed nations but also the weaker ones, provided they share the common ideals of democratic freedom and civic progress that are our Community's heritage.

The Political Affairs Committee wishes to point again to the Community's responsibilities in the Mediterranean area as regards transforming it into a region of peace and of economic and cultural cooperation.

The Political Affairs Committee supports the Joint Parliamentary Committee's call for the introduction of an effective system of political consultation between Greece and the Community. It is also of the opinion that this can be achieved in a gradual and pragmatic manner..

In this connection, the committee recalls the precedent established at the accession negotiations of the four applicant countries, which, although they did not formally participate in the periodic consultations of the foreign ministers under the Davignon procedure, were immediately informed by the president of the outcome of the political meetings held by the Six.

It should also be borne in mind that, after the signature of the Treaties of Accession and pending their entry into force upon the completion of the ratification procedures, the new states were, on the initiative of the Six, admitted to full participation in the consultations. This precedent could surely be adapted to Greece.

(1) See the Rossi report (Doc. 246/70).

Turkey, too, has repeatedly asked to be associated with the political consultations. It is your committee's opinion that, precisely with a view to attaining a political solution of the Cyprus question, a way should be found to enable both Greece and Turkey to participate in the political consultations on an equal footing.

In conclusion, the Political Affairs Committee shares the opinion of the Joint Parliamentary Committee EEC/Greece that the Greek Government's application for membership - which is foreseen in principle for 1984 by the Association Agreement itself - must be examined without delay. It requests therefore that the Commission of the European Communities according to Article 237 of the EEC-Treaty gives its opinion as soon as possible. The Political Affairs Committee - within the framework of its competences - will further examine this question once the opinion of the Commission of the European Communities is available.

