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EUROPEAN COUNCIL, BRUSSELS
29/30 MARCH 1982

GREECE AND THE EC

Brief by Foreign and Commonwealth Office

OBJECTIVE

1. To defer substantive discussion of the Greek paper.

POINTS TO MAKE

2. Grateful for the clear statement of the Greek position contained in their paper. Will study it carefully.
3. Commission will no doubt be considering how best to handle the various issues raised in the paper. [If necessary] Content that we should agree to call on them to do so.

BACKGROUND

Reference: A. Greek paper [to be circulated separately]
B. Summary of paper: Athens telno 108 of 23 March

4. Despite their anti-EC stance before last October's elections, Mr Papandreou's PASOK Government have been careful not to talk of withdrawal or extensive renegotiation.
5. The Greeks have played a full, if sometimes rather irritating part in Community business. On POCO, their performance has been poor over the Middle East and East/West relations. For the past few weeks they have been working on a paper for presentation to the Commission listing their requirements (or 'demands') for changes in

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the terms of Greece's membership of the EC to take account of what PASOK consider to be Greece's status as a relatively less developed country.

6. The paper was handed to the Presidency on 22 March, and was made available to delegations attending the Foreign Affairs Council. It is rather less detailed than expected (summary in reference 'B'), and the list of demands is less extreme than might have been feared. Most of them involve more money for Greece from the various Community funds, though the paper also calls for temporary derogations from Community competition rules, and special measures for Greek agriculture, particularly to help small farmers. Both of these, but particularly the first, are likely to cause considerable difficulties, though not primarily for the UK. But the general approach seems to be designed to avoid the need for Treaty amendment and to be based on a firm Greek intention to remain in the Community.

7. The European Council is certainly not the appropriate forum for substantive discussion of the paper, which should be resisted. However, Mr Papandreou is expected to make clear at the European Council his wish that the Council of Ministers should ask the Commission to make proposals on the subjects raised in the paper. In terms of the European Council's discussion, this should call for no more than a general reference to the existence of the paper and the need to study it carefully; but if Mr Papandreou insists we could go along with a call to the Council to ask the Commission to report.

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