Prime Minister

2 December 1983

[signature]

Dear John,

Athens European Council: The Greek Memorandum

The brief we have provided (EHG(a)(83)8) suggests that in order to avoid having to make potentially expensive concessions to Greece in the Memorandum exercise, the Prime Minister should seek to dress up the benefits which Greece is already getting from the Community and those which she will get as a result of the decision to postpone for two years the introduction of VAT.

New figures which have reached us should make this presentation more convincing. It has emerged in Brussels that Greek receipts from the Community were up 76% for the first 8 months this year compared with the comparable period in 1982. And the Embassy has reported that the 1984 Greek budget, which was published by the Minister of Finance on 30 November, contains the following figures for Greek net receipts from the Community budget in 1983 and 1984.

76%

Greece: Net Receipts from EC (figures in MECUs)

	1983 (forecast)	1984 (budgeted)
Receipts	1133.2	1275.01
Payments	315.06	417.07
Net Receipts	818.13	857.94

These amounts are very substantial of course but they do not bring out another point made by the Greek Minister that the 1983 figure represents a 65% increase over 1982.

If and when the Prime Minister comes to deploy the points to make in the brief, it may be worth while adding something along the following lines after the first sentence in paragraph 4:

/"Pleased

"Pleased to see that these are considerable. Understand
that the Greek Minister of Finance recently announced that
Greece's net benefits from the Community are up 65% in
1983 over last year to the very substantial figure of
818 MECUs. Quite right that the Community should be
helping its least prosperous Member State. But does
strengthen my point that the Community is already making
a major effort to assist Greece."

I am copying this letter to David Williamson (Cabinet
Office).

(R B Bone)
Private Secretary

A J Coles Esq
10 Downing Street