THE ACCESSION OF GREECE TO THE EUROPEAN COMMUNITIES

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I. INTRODUCTION

During 1979, several important events occurred in the development of the European Communities.

A. Direct Election of the European Parliament

First of all, there was the direct election of the European Parliament. There are three European Communities: the European Coal and Steel Community (ECSC) set up by the Treaty of Paris of April 18, 1951; the European Economic Community (EEC, often called the "Common Market");2 and the European Atomic Energy Community (EAEC, or EURATOM).3 The latter two were established by the two Treaties of Rome of March 25, 1957. They have not, or not yet, been "merged" into a Single European Community. Nevertheless, there are institutions common to all three Communities. It was thus that, together with the Treaties of Rome, a Convention on certain Institutions common to the European Communities was also signed by which the "Assembly" and the Court of Justice, provided for separately in each of the three Treaties establishing the Communities, were "merged" into a single Assembly and a single Court of Justice. The two other institutions, the three Councils of Ministers on the one hand, and the Commissions (EEC and EURATOM) and the "High Authority" (ECSC) on the other, were merged about ten years later by the Treaty establishing a Single Council and a Single Commission of the European Communities of April 8, 1965, which commonly is called the Merger Treaty.5

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¹ Treaty instituting the European Coal and Steel Community, April 18, 1951, 261 U.N.T.S. 140 [hereinafter cited as ECSC Treaty].

² Treaty establishing the European Economic Community, March 25, 1957, 298 U.N.T.S. 3 [hereinafter cited as EEC Treaty].

³ Treaty establishing the European Atomic Energy Community, March 25, 1957, 298 U.N.T.S. 167 [hereinafter cited as EURATOM Treaty].

^{&#}x27; Convention on certain institutions common to the European Communities, March 25, 1957, 298 U.N.T.S. 267.

⁵ This treaty is not published in U.N.T.S., but rather in the Official Journal of the European Communities (O.J.) 1967, No. 152, 2.

The Assembly, as its name is in all the Treaties, decided early in 1958 to call itself the "European Parliament" and since then has been known widely under this name. Until 1979, this Parliament was composed of "delegated delegates": each one of the three Treaties provided that the Assembly shall consist of delegates who shall be designated by the respective Parliaments of the Member States, from among their nationals in accordance with the procedures laid down by each Member State. But each of the relevant Articles provided also that the Assembly shall draw up proposals for elections by direct universal suffrage in accordance with a uniform procedure in all Member States. To fulfil this requirement, an Act concerning the Election of the Representatives of the Assembly by Direct Universal Suffrage was signed on September 20, 1976.7 and subsequently approved by the Member States in accordance with their respective constitutional requirements.

It is on this basis that the first direct elections of the European Parliament took place in the nine Member States of the Communities on June 7-10, 1979. Since its first sitting on July 17, 1979,8 there exists a directly elected European Parliament, composed of 410 representatives, elected for a term of five years, of the peoples of the States brought together in the Community.

[[]Editor's Note: Citations in this Article to EEC materials conform to European conventions rather than to the Uniform System of Citation usually followed by this publication. The Official Journal is cited as "O.J." and European Court of Justice cases are cited to their publication in the European Court Reports, "ECR."

The O.J. is cited:

⁽a) by year and page, the latter running consecutively until June 30, 1967,

⁽b) by year, number of issue and page, each issue starting a new pagination, for the second half of 1967, and

⁽c) by year, number of issue, there being two series: L for "Legislation" and C for "Information and Notices" (communications), and page, since January 1, 1968.

The treaties mentioned in the text of this Article and other basic documents, e.g., those concerning the accession of three new Member States to the Communities in 1973, are assembled in a single-volume publication: Office for Official Publications of the European Communities, Treaties Establishing the European Communities (1st ed. 1973, 2d ed. 1978). The same treaties, together with other material intended for a course in European Community law, are contained also in Documents for European Community Law and Institutions in Perspective, the document volume accompanying the excellent case book E. Stein, P. Hay & M. Waelbroeck, European Community Law and Institutions in Perspective (1976).

⁶ See, e.g., EEC Treaty, supra note 2, at Art. 138.

⁷ O.J. 1976, No. L 278, 1; No. L 326, 32 [hereinafter cited as Direct Universal Suffrage Act].

⁸ Summary report, O.J. 1979, No. C 203, 1.

Its president is Mrs. Simone Veil. It should be noted that the 1976 Act did not set up a uniform electoral procedure, the 1979 elections still being governed in each Member State by its national provisions. It is now for the newly elected Assembly to draw up a proposal for a uniform electoral procedure.

B. Rejection of the 1980 Draft Budget

The 1976 Act just discussed provided for the direct election of the members of the European Parliament. It did not enlarge the powers of the Parliament. Article 137 of the EEC Treaty provides that the Assembly shall exercise the advisory and supervisory powers which are conferred upon it by this Treaty. In the lawmaking process, these powers are consultative ones only as the Member States, which established the Communities, generally reserved the widest powers for that institution in which they were best represented by the members of their governments, i.e., the Council (of Ministers). A typical clause of the EEC Treaty, Article 43, on which the whole common agricultural policy is based. reads in part: "The Council shall, on a proposal from the Commission and after consulting the Assembly, . . . make regulations, issue directives, or take decisions, without prejudice to any recommendations it may also make." It is to be assumed that its members, who are directly elected and thus have the best democratic representation imaginable, will strive during the next five years for a larger part in the decision making process in the European Communities.10

As for the budgetary powers of the Parliament, they have been enlarged, as the Communities have come from a system of financial contributions of Member States to an "own resources system," by two "Constitutional Treaties" of 1970¹¹ and 1975,¹² and the budget of the Communities now is drawn up by the Council and the Parliament in a very complicated co-decision system.¹³ It

Direct Universal Suffrage Act, supra note 7, at Art. 7.

¹⁰ In 1971, the Commission had set up an *ad hoc* working party of independent experts to examine the problems connected with the enlargement of the powers of the European Parliament. The working party, headed by Dean Vedel, produced a valuable report which was not discussed sufficiently at that time; it contains suggestions which still may be useful today. Although English was not an official language of the European Communities at that time since it was before the accession of the United Kingdom to the Communities, the report is available in English: Bulletin of the European Communities, Supp. 4/72.

[&]quot; O.J. 1971, No. L. 2, 1.

¹² O.J. 1977, No. L 359, 1.

¹³ See EEC Treaty, supra note 2, at Art. 203, as modified by the Treaty Amending Certain Financial Provisions (1975).

is in this context that the new Parliament, at the end of 1979, for the first time has "shown its teeth" to the Council. Finding that, in the Parliament's opinion, the Council had carried out unjustified cuts as to expenditures on which the Parliament has the power to decide, and that the Council had not accepted Parliament's proposals in important fields, the Parliament, for the first time in the history of the European Communities, voted, on the basis of Article 203(8) of the EEC Treaty, to reject totally the 1980 draft budget. At present, the Communities are living in a regime of one-twelfth of the budget appropriations for the preceding financial year for every month of 1980, and the Commission is preparing a new draft budget for 1980, which will be acted upon soon by the Council and the Parliament.

C. The Establishment of the European Monetary System

There are other important events to note, for example, the establishment of the European Monetary System. Since March, 1979, the national currencies of eight of the nine Member States—the United Kingdom does not yet participate in this system—have been linked together more closely. For each currency, a central rate is fixed in ECU's (European Currency Units of which the value is determined daily on the basis of a "basket" of weighed amounts of national currencies). This central rate leads to reference rates in relation to the other currencies and those rates fluctuate only within a margin of, in general, 2.25%. This system contributes to greater monetary stability in Europe even if further development of the European monetary system beyond the initial two years cannot be forecast yet.

D. The GATT MTN

In the field of external relations, which in EEC terminology is called, for the most part, the "common commercial policy," based on Article 113 of the EEC Treaty, the conclusion of the agreements negotiated over the years in the GATT multilateral trade negotiations (Tokyo Round) can be mentioned. The Council

[&]quot; O.J. 1980, No. C 4, 36.

¹⁵ EEC Treaty, supra note 2, at Art. 204.

¹⁶See Commission, Thirteenth General Report on the Activities of the European Communities 67 (1979). (Article 18 of the Merger Treaty of 1965 requires the Commission to publish such report annually, in February) O.J. 1978, No. L 379, 1 & 2. O.J. 1979, No. C 69, 4-5 contains an example of the calculation of the value of the ECU.

concluded them in December 1979,¹⁷ and implementing procedures have taken place or are in preparation.

E. The International Agreement on Natural Rubber Case

The Court of Justice has made use of a request by the Commission to give an opinion on the compatibility of an envisaged agreement with the provisions of the EEC Treaty concerning redefinition of the powers of the Community in the field of commercial policy. In the *International Agreement on Natural Rubber Case*, ¹⁸ the Court ruled that the common commercial policy powers must not be contrued narrowly. However, if the Rubber Agreement is to contain a system of financing the buffer stock by the Member States, then the Member States must be associated in the Agreement, thus making it a "mixed agreement."

F. The Greek Treaty of Accession

Nevertheless, in the opinion of the author, the most important event which occurred in the European Communities in 1979 which, strictly legally speaking, concerned more the Member States of the Communities than the Communities themselves was this: on May 28, 1979 in Athens, Greece, the "present Member States" signed together with the Hellenic Republic the Treaty of Accession and all the annexed documents by which Greece eventually will become the tenth Member State of the European Communities. It is the purpose of this Article to provide a summary presentation of the "Greek accession," preceded by a brief look into the past.

II. THE ASSOCIATION OF GREECE TO THE EEC

Article 238 of the EEC Treaty provides that the Community may conclude with a third State "agreements establishing an association involving reciprocal rights and obligations, common action and special procedures." Right from the beginning of the existence of the EEC (1958), Greece had put in a demand for the negotiation and conclusion of such an agreement which is, by

¹⁷ O.J. 1980, No. L 71, 1.

¹⁸ The Court's power to give an opinion is based on Article 228 (1) of the EEC Treaty. Opinion 1/78 is published in full in O.J. 1979, No. C 279. It also will be reported later in Reports of Cases before the Court, [1979] ECR.

¹⁹ See generally Documents concerning the accession of the Hellenic Republic to the European Communities, O.J. 1979, No. L 291.

²⁰ Emphasis supplied.

"common action and special procedures," something more than a tariff or trade agreement.²¹ Leaving aside the association between the EEC and a number of African States and Madagascar which was set up by the EEC Treaty itself, even before these "countries and territories" became independent States, and which led eventually to the Conventions of Yaounde and Lomé, ²² Greece became the first "third State" to be associated to the EEC. The Association Agreement was signed on July 9, 1961, and came into force on November 1, 1962.²³

This Agreement reads in many respects as a minor EEC Treaty. It provided inter alia for the establishment of a customs union, by abolishing over a period of twelve years—for some products twenty-two years—the duties between the Community and Greece; for a harmonization of the agricultural policies of the Community and Greece, along the lines fixed by the Community; and for financial aid of \$125 million U.S. over a period of five years. It was envisaged as a forerunner for accession, but did not establish an automatic link between the two. In fact, Article 72 of the Association Agreement reads as follows:

As soon as the operation of this Agreement has advanced far enough to justify envisaging full acceptance by Greece of the obligations arising out of the Treaty establishing the European Economic Community, the Contracting Parties shall examine the possibility of the accession of Greece to the Community.²⁴

From the coup d'état on April 21, 1967, to the restoration of democracy in 1974, the Association was frozen to day-to-day management without further favorable development. The gradual dismantling of tariffs took place, but the harmonization of the agricultural policies never got off the ground and the financial protocol was not renewed. All contacts were held on the lowest possible level. Very soon after reestablishing a democratic regime, Greece, on June 12, 1975, formally applied for membership in the Communities. With Greece becoming a full member now, the Association will become obsolete. Let it be added here that the accession of three new members in 1973—the United Kingdom, Denmark and Ireland—made it mandatory to add these Member

²¹ For the latter, see EEC Treaty, supra note 2, at Art. 113.

²² See ACP-EEC Convention of Lomé (I), February 28, 1975, O.J. 1976, No. L 25, 1; and ACP-EEC Convention of Lomé (II), October 31, 1979, reprinted in 19 INT'L LEGAL MATERIALS 341 (1980).

²³ O.J. 1978, No. L 161, 11.

²⁴ O.J. 1978, No. L 161, 26.

States to the Greek Association Agreement, which also is a "mixed agreement," and to adapt it to the new situation of an enlarged Community. This was achieved by the Additional Protocol of April 28, 1975,²⁵ which provided an English language version of the Association Agreement. There also is a new Financial Protocol of February 1977, providing for financial aid of 280 million European units of account for the years through 1981.²⁶

A. A Survey of EEC Treaty Relations in the Mediterranean Area

The association of Greece with the EEC, since the beginning of the 1960's and the imminent accession of that State to the three Communities also should be seen in the context of the Mediterranean area. Only one of the three Communities, the EEC, is active in this domain. The EEC has its own "Mediterranean interests" via the two Member States which border that sea: Italy and France. With the exception of Libya and Albania, which have shown no particular interest in entering into agreements with the EEC, that Community now has agreements with all of the border states of the Mediterranean Sea.

After the association with Greece, that with Turkey was established by an agreement of 1963, supplemented by an additional protocol of 1970.²⁷ For various reasons, the Turkish association during recent years has not produced good results, but in February 1980, the EEC-Turkey Association Council pronounced itself strongly in favor of reactivating the association. Two other association agreements with States in the Mediterranean Sea are Malta (1970) and Cyprus (1972). Yugoslavia had two trade agreements with the EEC (1970 and 1973) before a very substantial Co-operation Agreement was signed on April 2, 1980. It is in the form of a mixed agreement, thus with the participation also of the Member States of the EEC, and will require ratification by them, which probably will demand one or two years of time. In order to apply those parts of the Co-operation Agreement which

²⁵ O.J. 1978, No. L 161, 2.

²⁶ O.J. 1978, No. L 225, 26.

The texts of the agreements mentioned herein can be located conveniently in a recently initiated publication, Office for Official Publications of the European Communities, Collection of the Agreements Concluded by the European Communities [hereinafter cited as Collection of Agreements]. The basic set consists of five volumes and covers the agreements of the three Communities from 1952 to 1975. Volume 6, published in 1979, covers the year 1976. It can be assumed that subsequent volumes will appear soon.

are in the commerical policy power of the Community as quickly as possible, and also to start the envisaged financial co-operation, interim agreements have been drawn up and will come into force on July 1, 1980.²⁸

The southern and the southeastern sides of the Mediterranean are regarded by the Community in terms of two larger groups of countries: the Maghreb and the Mashreq, respectively. As to the former, Morocco and Tunisia have had agreements with the EEC since 1969. These two countries, then joined by Algeria, signed Co-operation Agreements with the EEC (and its Member States) in 1976. These came into force on November 1, 1978.²⁹ The same applies for the four Mashreq countries: Egypt, Jordan, Syria and Lebanon.³⁰ These agreements took the place of those concluded at the beginning of the 1970's.

Israel, like Yugoslavia, is in its third agreement with the EEC. After a minor trade agreement of 1964 and a larger one of 1970 which, for political reasons, held the balance with another agreement of the same type with a country in the western Mediterranean, i.e., Spain, a comprehensive trade agreement was signed between the EEC and Israel in 1975³¹ which in 1977 was amended by a mixed type additional protocol and a protocol on financial cooperation which then entered into force on November 1, 1978.32 Spain has been linked to the EEC by a trade agreement since 1970. It is now a candidate for accession to the Communities, like Portugal-which does not border the Mediterranean and whose relations with the EEC have been regulated hitherto by one of the agreements concluded in 1972 with those countries of the European Free Trade Association which, at that time, were not candidates for accession at the first enlargement of the Communities. The common feature of the agreements mentioned here is that of preferential trade arrangements, on a very large scale, to which substantial financial and technical co-operation has been added.

B. The Greek Application for Membership in the European Communities

On June 12, 1975, Greece applied for membership in the three

²⁸ O.J. 1980, No. L 130, 2 & 99; No. L 139, 18.

²⁹ O.J. 1978, No. L 263-265; L 295, 35.

³⁰ O.J. 1978, No. L 266-269.

³¹ 4 COLLECTION OF AGREEMENTS, supra note 27, at 164.

³² O.J. 1978, No. L 270.

European Communities. Articles 237 of the EEC Treaty and 205 of the EURATOM-Treaty provide in identical wording that:

Any European State may apply to become a member of the Community. It shall address its application to the Council, which shall act unanimously after obtaining the opinion of the Commission.

The conditions of admission and the adjustments to this Treaty necessitated thereby shall be the subject of an agreement between the Member States and the applicant State. This agreement shall be submitted for ratification by all the Contracting States in accordance with their respective constitutional requirements.

The corresponding clause in the ECSC Treaty—which allocates the powers differently—is Article 98:

Any European State may apply to accede to this Treaty. It shall address its application to the Council, which shall act unanimously after obtaining the opinion of the High Authority; the Council shall also determine the terms of accession, likewise acting unanimously. Accession shall take effect on the day when the instrument of accession is received by the Government acting as depository of this Treaty.

Thus, in the case of the ECSC, it is by decision of the Council that a candidate becomes member of that Community, whereas for the two Communities created by the Treaties of Rome, "the old members of the club decide to accept a new member into the club." It can be said, therefore, that strictly legally speaking, the Greek accession concerns more the Member States than the Communities themselves.

Only one condition is spelled out clearly in these articles: the applicant State must be European. As the three Communities are European, the condition speaks for itself. In the past, there has been much discussion about whether there are other conditions a candidate had to fulfill. For example, it is common ground that a candidate must have a democratic form of government and must guarantee fundamental freedoms and human rights. In this respect, one first may cite the last passage of the Preamble to the EEC Treaty, in which the Heads of State of the original Member States are "calling upon the other peoples of Europe who share their ideal to join in their efforts." This ideal is described even better in the Preamble to the Statute of the Council of Europe,

signed in London on May 5, 1949,33 by which that international organization was created and which comprises about twenty western European States, from Iceland to Cyprus: "Reaffirming their devotion to the spiritual and moral values which are the common heritage of their peoples and the true source of individual freedom, political liberty and the rule of law, principles which form the basis of all genuine democracy." Article 3 of this Statute prescribes that every Member of the Council of Europe must accept the principles of the rule of law and of the enjoyment of human rights and fundamental freedoms by all persons within its jurisdiction, and collaborate sincerely and effectively in the realization of the aim of the Council of Europe. Article 4 then goes on to state that "Any European State, which is deemed to be able and willing to fulfil the provisions of Article 3, may be invited to become a Member" The provisions of the Treaties establishing the European Communities are much less explicit than this.

As to the guarantee of fundamental freedoms, it can be noted that all western European States are members of the European Convention on Human Rights and Fundamental Freedoms (1950) which operates in the framework of the Council of Europe.³⁴ Inside the Communities, the Court of Justice has ruled on many occasions that "basic rights" recognized and protected in the constitutions of the Member States and in the European Convention on Human Rights are respected by the Communities as part of the general principles of law which the Court has the duty to protect.³⁵ On April 5, 1977, the three other institutions of the Communities, other than the Court of Justice, adopted a Joint Declaration in which they "stress the prime importance they attach to the protection of fundamental rights, as derived in particular from the constitutions of the Member States and the European Convention for the Protection of Human Rights and Fundamental Freedoms." They also declare that "in the exercise of their powers and in pursuance of the aims of the European Communities they respect and will continue to respect these rights."36

³³ Statute of the Council of Europe, May 5, 1949, 87 U.N.T.S. 104.

³⁴ Convention for the Protection of Human Rights and Fundamental Freedoms, November 4, 1950, 213 U.N.T.S. 221.

³⁵ The line of cases begins with Nold v. Commission, [1974] ECR 491, (Case 4/73). The most recent is Hauer v. Land Rheinland-Pfalz, [1979] ECR _____, (Case 44/79, decided December 13, 1979, not reported yet). See also Commission, Memorandum on the accession of the Communities to the European Convention on Human Rights, in Bulletin of the European Communities, Supp. 2/79.

³⁶ O.J. 1977, No. C 103, 1.

Outside of the institutional framework of the Communities, but politically closely linked to them, the "European Council," the periodic meeting of the heads of state and of government of the Member States of the Communities, adopted a "Declaration on Democracy" in 1978.³⁷ In it, the Heads of State and of Government expressed their adherence to "a political system of pluralist democracy which guarantees both the free expression of opinions within the constitutional organization of powers and the procedures necessary for the protection of human rights." Furthermore, they "solemnly declare that respect for and maintenance of representative democracy and human rights in each Member State are essential elements of membership of the European Communities."

When a member of the European Parliament recently asked the Council in a written question how it was ensured that basic democratic rights are fully respected in States seeking accession to the European Communities, the answer was that:

The Council is convinced that the States applying for accession to the European Communities are aware of the principles underlying the Treaties and the obligations deriving therefrom, and of the content of the Joint Statement by the European Parliament, the Council and the Commission, of 5 April 1977, on Fundamental Rights and the Declaration on Democracy adopted by the European Council on 7 April 1978.³⁸

To sum up, democracy and adherence to fundamental rights are unwritten conditions which must be added to that one which is mentioned, i.e., being European. Whether a "free market economy" is also a condition may be more difficult to answer.³⁹ Ar-

^{37 11} Bulletin of the European Communities, No. 3, at 5.

³⁸ O.J. 1980, No. C 27, 5. The question was originally put to the Foreign Ministers of the nine Member States of the European Communities meeting in political cooperation. The answer was given by the Council of the European Communities, within whose province the question came. The "political cooperation" of the Member States is not regulated by the Treaties establishing the Communities, but developed since 1970 alongside the Communities, in regular meetings held for that purpose by the Foreign Ministers. They agreed some years ago to report from time to time to the European Parliament and to accept that questions be put to them.

The answer given by the Council of the European Communities, mentioning the European Council and the area of fundamental rights in which the Council of Europe has been so active over the last thirty years, is a good illustration of the difficult terminology in European matters.

³⁹ See Thompson, Article 237, in 5 THE LAW OF THE EUROPEAN ECONOMIC COMMUNITY, A COMMENTARY ON THE EEC TREATY 6-312 (H. Smit & P. Herzog eds. 1976) [hereinafter cited as EEC COMMENTARY].

ticle 222 of the EEC Treaty provides that "this Treaty shall in no way prejudice the rules in Member States governing the system of property ownership." There is, then, leeway for Member States' differing ideas on nationalization of means of production, etc.

Returning to Article 237 of the EEC Treaty, the first subparagraph says that the Commission shall elaborate an opinion and that the Council shall act unanimously. It is not said when and upon what these two institutions shall act. In this situation, the Commission has defended successfully its view that it could give an opinion on the Greek application for membership "in the beginning," but that this would not exhaust its power to give opinions; it would give subsequent opinions during and at the end of the negotiation. The second subparagraph of Article 237 of the EEC Treaty speaks of the conditions of admission and the adjustments to this Treaty which shall be dealt with in a new international agreement. In 1978, a curious case was brought from an inferior German tribunal to the Court of Justice of the European Communities under the Article 177 procedure, which is something like a certification proceeding, in which two German private parties wanted to hear from the Court of Justice whether Article 237 contains substantive legal limits on the accession of third countries "over and above the formal conditions laid down in Article 237," and if, therefore, the accession of Spain, Portugal and Greece to the European Communities was not possible in the foreseeable future for reasons based on Community law. The Court qualified this proceeding as a moot case and decided that it had no jurisdiction to give a ruling on the questions referred to it. In its decision, it said that "the legal conditions for such accession remain [thus] to be defined in the context of that procedure [Article 237] without its being possible to determine the content judicially in advance."40

C. The Negotiations Concerning the Greek Application

The Commission transmitted its opinion required by Article 237 of the EEC Treaty to the Council on January 29, 1976. The Commission recommended "that a clear affirmative reply be given to the Greek request and that negotiations for Greek accession be

⁴⁰ Mattheus v. Doego, [1978] ECR 2203, (Case 93/78).

⁴¹ Bulletin of the European Communities, Supp. 2/76.

opened."42 But the opinion also pointed to a number of political and economic problems: the disagreements between the two neighbors Greece and Turkey: the structural deficits of the Greek economy: the time needed to bring Greek agriculture into a situation comparable to those of the present Member States; and the concern that the on-going integration process within the Community must not be delayed by further enlargement. Because of these considerations the Commission proposed to envisage a period of time before the obligations of membership, even subject to transitional arrangements, were undertaken, in order to start a substantial economic program which would enable Greece to accelerate the necessary structural reforms. While negotiations towards accession should begin, the Commission was of the opinion that the period up to Greece's accession should be used fully, and Greece should be brought gradually into the working of the Community mechanisms. Two weeks after having received the opinion, on February 9, 1976, the Council considered the application and stated that it was in favor of this request. It agreed that the preparatory talks essential to the establishment of a common basis for negotiation should take place "as soon as possible" in a positive spirit.

The negotiating conference was formally opened in July 1976. It was a conference between the Communities and Greece. The first, unsuccessful, application by four candidates in 1961-63 had led to a conference between the Member States of the Communities and the applicants, but their second entry bid, in 1970-72. had already seen the Communities in the title of the conference. which thus showed to the outside that the Communities are an established fact. This allowed the conference to have the Commission participate in the negotiations, with its proposals and suggestions addressed to the Ministerial meetings of the Communities, in examining together with the applicant State how the existing Community legislation should be adapted. The negotiations proper were conducted in Ministerial meetings and in those of their "deputies." The closest link possible between the conference and the ordinary Community decision-making machinery was established by the fact that the Ministers were the regular members of the Council and the deputies the permanent representatives of the Member States to the Communities - the Committee of Permanent Representatives - of which Article 4 of the Merger

⁴² Id. at 9.

Treaty of 1965 says that it "shall be responsible for preparing the work of the Council and for carrying out the tasks assigned to it by the Council." It acts as a filter for any action of the Council.

After two and a half years, the Ministerial meeting reached agreement on all major questions in December 1978, and the Accession Treaty eventually was signed on May 28, 1979. These negotiations had been guided from the outset by a number of principles which are reflected also in the final result.48 The applicant State was required to accept the "Community patrimony," in French: acquis communautaire. This meant the Treaties and their political aims, the achievements of the Communities reached since their beginning, and the political orientations which they had laid down, although not yet in the form of decisions or other legal acts but by resolutions and the like. Any form of adjustment which might be necessary because of the entry of a new member should not be operated by a change in the existing Treaties or other rules, but should be sought in the establishment of transitional rules, thus underlining the principle of continuity of the Communities. It was clear from the beginning that the decisions to be accepted by a new Member State also would comprise agreements concluded by the Community with third countries. Here the necessary adjustments would have to be negotiated with the third countries in question.44

III. THE CONTENT OF THE "ACCESSION DOCUMENTS"

The principles just outlined, combined with the peculiarity previously discussed that in the context of the ECSC it is not the Member States' power to agree on the accession of the new member, but that of the Council, are the reasons for the curious mixtum compositum which constitute the so-called "Documents concerning the accession of the Hellenic Republic to the European

⁴³ See generally J.-P. Puissochet, The Enlargement of the European Communities, A Commentary on the Treaty and the Acts Concerning the Accession of Denmark, Ireland, and the United Kingdom (1975) [hereinafter cited as Enlargement of the European Communities]. As the Greek accession is molded upon the previous accession of these three States, the excellent study of Puissochet can be used very largely as a commentary also to the Greek accession. See also J.-P. Puissochet, L'Elargissement des Communautés Européennes (1974); and Appendix, in 5 EEC Commentary, supra note 39. Puissochet was, at the time of the 1970-72 negotiations, Deputy Director General of the Legal Service of the Council of the European Communities.

[&]quot; See ENLARGEMENT OF THE EUROPEAN COMMUNITIES, supra note 43, at 10, 28.

Communities."45 The documents assembled there and comprising almost 200 printed pages are the following:

A. The Commission Opinion

The Commission opinion on the application for accession was issued May 23, 1979. This is the second and final opinion of the Commission, the first one having been delivered in January 1976, one-half year after Greece had made its application. Now, at the end of successful negotiations, the opinion could be quite short, in substance stating only that the Commission "hereby delivers a favorable opinion."

B. The Decision of the Council: ECSC

The Decision of the Council on the accession of the Hellenic Republic to the ECSC was rendered the day after the opinion, May 24, 1979. Again, this is a short document, one single page, stating that the Hellenic Republic may become a member of that Community, and that accession will take effect on January 1, 1981, provided that all instruments of accession or ratification concerning the three Communities are properly deposited on or before that date.

C. The Decision of the Council: EEC and EURATOM

The third document is the equally short Decision of the Council on the admission of the Hellenic Republic to the two other European Communities. Based on Articles 237 of the EEC Treaty and 205 of the EURATOM Treaty, it states in substance that the Council "has decided to accept this application for admission."

D. The Treaty

Then follows the Treaty between the present Member States of the Communities and the applicant State concerning the latter's accession to these two European Communities (EEC and EURATOM). Three short articles, just one-half page long, are all the Treaty contains. Article 1 states that the Hellenic Republic "hereby becomes a member" of the two Communities and "Party to the Treaties establishing these Communities as amended or supplemented." It goes on to say that the "conditions of admission and the adjustments to the Treaties" are set out in the "Act" an-

⁴⁵ See note 19, supra.

nexed to this Treaty of Accession and that the Act shall form an integral part of it. Article 2 stipulates that the High Contracting Parties shall ratify the Treaty in accordance with their respective constitutional requirements. It also states that the Treaty will enter into force on January 1, 1981, provided that all necessary instruments concerning all three Communities are deposited before or on that date. Finally, Article 3 states that this Treaty had been drawn up in a single original and in eight languages, all equally authentic (the eighth language being Irish).

E. The "Act of Accession"

The documents mentioned hitherto make up for sixteen printed pages, including some pages of facsimile signatures. The remaining pages, numbering almost 200, constitute the Act concerning conditions of accession of the Hellenic Republic and the adjustments to the Treaties, its twelve annexes, seven protocols, the Final Act, eight joint declarations, five individual declarations and, finally, an information and consultation procedure for the adoption of certain decisions after the signing of the Treaty and before effective entry into the Communities. Thus, the Treaty of Accession is a very short and positive document—simply making Greece a member of the two Communities, the accession to the third Community being regulated by the Decision of the Council. The "Act of Accession" (a short and inaccurate title) is a long and cumbersome document spelling out all the conditions and adjustments. The principle is a simple one, the "exceptions" require almost 200 printed pages! But it must be said that the Treaty and "ECSC-Decision" are particularly short because of the different allocation of power to act on an application for membership in the three Communities: this solution has enabled the conditions and adjustments necessary for all three Communities to be assembled in one single "Act" (of Accession).

IV. THE PRINCIPLE CONTENT OF THE ACT CONCERNING THE CONDITIONS OF ACCESSION AND THE ADJUSTMENTS

Part I, Principles sets out that the provisions of the original treaties establishing the Communities, as supplemented or amended, and the acts adopted by the institutions of the Communities shall be binding on the Hellenic Republic. 46 It accedes by

⁴⁶ Act concerning the conditions of accession of the Hellenic Republic and the adjustments to the Treaties, O.J. 1979, No. L 291, 17, at Art. 2 [hereinafter cited as Act of Accession].

this Act to the Decisions and Agreements adopted by the representatives of the Governments of the Member States meeting in Council.⁴⁷ These decisions and agreements are simplified international agreements concluded by the Member States as such in those cases in which the same action would be ultra vires for the Council itself. The Hellenic Republic undertakes to accede to the Conventions provided for in Article 220 of the EEC Treaty and to the Protocols on the interpretation of those Conventions by the Court of Justice.⁴⁸ Thus, the Brussels Convention on jurisdiction and the enforcement of judgments in civil and commercial matters, of September 27, 1968—the only one of the Article 220 conventions now in force—one day will be applicable also for Greece.⁴⁹

Part I also mandates that "this Act may not, unless otherwise provided herein, be suspended, amended or repealed" other than by the proper revision procedures of the basic Treaties, 50 that the acts adopted by the institutions of the Communities shall retain their status in law, 51 and that the application of the original Treaties and acts shall, "as a transitional measure," be subject to the derogations provided for in the Act. Unless otherwise provided, the application of the transitional measures shall terminate at the end of 1985. 52 Article 9 makes clear that there is no fixed "transitional period" of five years, of general application, but the Act operates in a piecemeal approach, often providing for nearly immediate application or for delays shorter than five years, in some cases providing for a longer period. This clause saying that the transition shall in general come to an end by December 31, 1985, is just the "catchment clause."

Part II, Adjustments to the Treaties provides that: twenty-four Greek representatives will be added to the 410 members of the

⁴⁷ Id. at Art. 3, para. 1.

⁴⁸ Id. at Art. 3, para. 2.

⁴⁹ See Convention on jurisdiction and enforcement of judgments in civil and commercial matters, September 27, 1968, O.J. 1978, No. L 304, 36 (English text). See also the Convention of October 9, 1978 on the accession of the three new member states of 1973 to the 1968 Convention, O.J. 1978, No. L 304, 1; and the text of the 1968 Convention, as amended by the 1978 Convention, O.J. 1978, No. L 304, 77. The reports of Jenard and Schlosser concerning the 1968 and the 1978 Conventions have been published in O.J. 1979, No. C 59, 1 & 71.

There exists now a large number of decisions of the Court of Justice on the interpretation of the 1968 Convention, starting with case Industrie Tessili Italiana Como v. Dunlop AG, [1976] ECR 1473, (Case 12/76, judgment of October 6, 1976], [1976 Transfer Binder] COMM. MKT. REP. (CCH) ¶ 8375. See the Recent Development concerning this Convention infra in this Symposium, 10 GA. J. INT'L & COMP. L. (1980).

⁵⁰ Act of Accession, supra note 46, at Art. 6.

⁵¹ Id. at Art. 7.

⁵² Id. at Art. 9.

European Parliament.⁵³ It may be noted here that, according to Article 23 of the Act, these new members first will be appointed by the Hellenic Parliament from within itself. Greece then will hold an election of its European Members of Parliament by direct universal suffrage in 1981, in accordance with the Direct Universal Suffrage Act of 1976 mentioned in Article 23. A Greek member will be added to the Council,54 Greece taking its place, as for the rotation of the presidency in the Council, between "Germany" and "France." because that order is determined by the first letter of the official name of the Member State in its own language (Ellas). In due course, Greece will preside over the Council and speak, on official occasions, in the name of the European Communities.55 Regarding the weighing of votes of members of the Council, five votes are attributed to Greece, the same number as is held by Belgium and the Netherlands.56 The Commission will be enlarged by one member⁵⁷ and by January 1, 1981, there shall be a new Commission of fourteen members. 58 There will be one Greek judge on the bench of the Court of Justice. 59 And, quite obviously, the Hellenic Republic will be added to the list of States describing the territorial applicability of the EEC Treaty.60

Part III, Adaptations to Acts Adopted by the Institutions, provides in Article 21 that the acts listed in Annex I shall be adapted as specified therein. That annex covers 60 printed pages. Some examples can be noted: Council Regulation No. 1 of 15 April 1958, determining the languages to be used by the EEC, 61 now must read in Article 1: "The official languages and the working languages of the institutions of the Community shall be Danish, Dutch, English, French, German, Greek and Italian." The abbreviation "E" for Greece is inserted into numerous acts of the Council concerning

⁵³ Id. at Art. 10.

⁵⁴ Id. at Art. 11.

⁵⁵ Id. at Art. 133.

⁵⁶ Id. at Art. 14.

Id. at Art. 15.
Id. at Art. 134.

⁵⁹ Id. at Arts. 16, 135.

⁶⁰ Id. at Art. 20.

⁶¹ Council Regulation No. 1 of April 15, 1958, O.J. 1958, 385. The English text is provided in O.J. 1972, Special Ed., 59, concerning texts of 1952-58. Regulation No. 1 is one of the few "old regulations" of the time up to 1962, inclusive, which do not yet bear the abbreviation of the year in its numbering, and which have not yet been codified or altered, thereby getting a new, "more modern" number.

 $^{^{62}}$ Act of Accession, supra note 46, at Annex I, O.J. 1979, No. L 291, 113 [hereinafter cited as Annex I].

the approximation of legislation.⁶³ In the Council Decision of 4 April 1978, on the application of certain guidelines in the field of officially supported credits, which is "not published" in the Official Journal, Greece is added to the list of Member States and deleted from the list of third countries.⁶⁴

The reader also may learn in amazement, that, as was the case of the first enlargement in 1973,65 a typical American product has been mentioned in the documents concerning the accession of Greece: bourbon whiskey (spelled with an "e"). The explanation is simple: "So-called Bourbon Whiskey" benefits from old tariff concessions and, therefore, when imported into the Community bears a duty less than that for other alcoholic beverages. It appears under a special sub-heading of the Common Customs Tariff. 66 The inclusion of this product under that sub-heading is subject to conditions to be determined by the competent authorities. On December 17, 1969, the Commission adopted Regulation No. 2552/69 determining the conditions for the inclusion of bourbon whisky (without an "e") under that tariff position. 67 The recitals of that regulation read, in part: "Whereas identification of bourbon whisky is particulary difficult; whereas it can be made considerably easier if the exporting country gives an assurance that the product exported corresponds to the description of the product in question;" The regulation required the importer to produce a certificate of authenticity issued by the United States Treasury Department, Internal Revenue Service, the text of which is as follows:

The Internal Revenue Service certifies that the above whisky was distilled in the United States at not exceeding 160° proof (80° Gay-Lussac) from a fermented mash of grain of which not less than 51% was corn grain (maize) and aged for not less than two years in charred new oak containers.

The wording of the certificate obviously had been agreed to by the American authorities and the Commission.

Under the rules governing the languages of the Community prior to the 1973 enlargement, the regulation gave the text of this certificate only in English, French, German, Italian and Dutch. In

⁶³ Id. at O.J. 1979, No. L 291, 108-09.

⁶⁴ Id. at O.J. 1979, No. L 291, 99.

⁶⁵ O.J. 1972, Special Ed., 53 (English text, corresponding to No. L 73 in the other languages).

⁶⁶ For the codification of the 1980 tariff, see generally O.J. 1979, No. L 342. See subheading No. 22.09 C III (a), id. at 111.

⁶⁷ O.J. 1972, Special Ed., 19.

the context of the 1973 enlargement, Danish was added and now Greek is included. One now may read seven linguistic versions of the certificate⁶⁸ and note in addition that it is no longer the "Internal Revenue Service" which issues such certificates, but the "Bureau of Alcohol, Tobacco and Firearms".

Part III, Adaptations, Article 22 refers to acts listed in Annex II to which adaptations are not affected by the Act of Accession itself. Those adaptations shall be drawn up specially and in conformity with a procedure provided by Article 146 of the Act:

- 1. Adaptations to the acts of the institutions of the Communities not included in this Act or its Annexes, made by the institutions before the accession of the Hellenic Republic in accordance with the procedures in paragraph 2 to bring those acts into line with the provisions of this Act, in particular those of Part Four, shall enter into force as from the said accession.
- 2. The Council, acting by a qualified majority on a proposal from the Commission, or the Commission, according to which of these two institutions adopted the original act, shall to this end draw up the necessary texts.

Annex II, for example, provides that a Greek version shall be added to the references in the languages of the Community in several acts. ⁶⁹ In addition, the details relating to the Greek drachma must be added to the Community legislation on "Green rates," concerning the conversion of European Units of Account into national currencies of the Member States for the purposes of regulating the common agricultural policy. The annex also stipulates that the amount provided for as the total amount of financial assistance possible under the Guidance Section of the Agricultural Fund must be adjusted because of the accession of Greece. ⁷⁰

Part IV, Transitional Measures, constitutes the bulk of the Act of Accession. Article 25 provides for the abolition of customs duties between the Community of Nine and Greece according to a timetable extending over five years. On January 1, 1981 (the day of Greece's entry into the Communities), each duty shall be reduced to 90% of the basic duty, the latter being the duty actually applied on January 1, 1980. Another 10% cut will take place one

⁵⁸ See O.J. 1979, No. L 291, 59.

⁶⁹ Act of accession, *supra* note 46, at Annex II, O.J. 1979, No. L 291, 114 [hereinafter cited as Annex II].

⁷⁰ Id. at O.J. 1979, No. L 291, 125.

vear later. Then four reductions of 20% each will follow on January 1, 1983, 1984, 1985 and 1986, respectively. Alignment of Greece to the Common Customs Tariff, operating toward the outside world, follows the same timetable.71 Free movement of workers within the Community will be achieved at the end of a seven-year transition period. Liberalization of capital movements and the like generally may be deferred by Greece until December 31, 1985.73 Agriculture is dealt with in principle by the general rules of the Act. But there are numerous detailed exceptions, 74 as well as a specific implementation and adaptation procedure somewhat along the line of Article 146 mentioned above. 75 As to some fresh and processed fruits (e.g., tomatoes and peaches), the transition to the Community system will take seven years. 76 External Relations follow next," allowing Greece to maintain provisionally some derogations from the common liberalization lists for imports or some quantitative restrictions, and some exceptions to the system of generalized preferences extended to developing countries.78 The agreements concluded by the Community with Mediterranean countries, discussed above, and with the member countries of the European Free Trade Association, shall be binding on Greece as well. Adjustments necessitated by Greece's entry into the Communities shall be the subject of Protocols negotiated and concluded with these co-contracting third countries.79 The Lomé I Convention, with the exception of its Protocol No. 3 on sugar, shall not be binding on Greece, but the recently signed Lomé II Convention of 1979 shall be, as shall be the multilateral Agreement on Textiles of 1973, as well as its sweep of follow-up bilateral agreements.80 Regarding the finances of the Communities, Greece shall apply in full from the date of accession the Community's Own Resources System (customs duties, agricultural levies, a share of the value added tax (VAT) levied by the Member States, or a financial contribution based upon the gross national product if the VAT rule does not operate fully). But

⁷¹ Act of Accession, supra note 46, at Art. 31.

⁷² Id. at Art. 45.

⁷³ Id. at Arts. 49-53.

¹⁴ See, e.g., id. at Art. 57.

¹⁵ Id. at Art. 72.

⁷⁶ Id. at Arts. 59, 75.

¹⁷ Id. at Art. 115.

⁷⁸ Id. at Arts. 115, 117 & Annexes V-VII.

⁷⁹ Id. at Arts. 118-20.

⁸⁰ Id. at Arts. 121-23.

in order to reduce Greece's financial burden, a refund of the latter contribution (a percentage of VAT or financial contribution) is foreseen which starts with 70% in 1981 and is gradually reduced to 10% in 1985.81

In the Annexes, which have not been mentioned yet, one can find, e.g., that Greece is allowed to defer compliance with some Agro-Structural Directives issued by the Council, including "hill farming," for three years, 82 that the Greek drachma is to be included at the latest on December 31, 1985, in the "basket" of Member States' currencies concerning the European Monetary System,83 and that Greece is to establish a value added taxation system by July 1, 1985.84 Among the Protocols, No. 4 on cotton must be mentioned. A system to support the production of cotton shall be introduced in regions of the Community where it is important for the agricultural economy, in order to permit the producers concerned to earn a fair income and to stabilize the market by structured improvements at the level of supply and marketing. An aid to production shall be granted, it being given via cotton ginning undertakings. This aid shall be restricted to a quantity of cotton to be determined each year for the Community. This system is conceived to take the place presently occupied by a Greek national aid system.

From the texts annexed to the Final Act, we may note two. First is a joint declaration concerning Mount Athos, which reads as follows:

Recognizing that the special status granted to Mount Athos, as guaranteed by Article 105 of the Hellenic Constitution, is justified exclusively on grounds of a spiritual and religious nature, the Community will ensure that this status is taken into account in the application and subsequent preparation of provisions of Community law, in particular in relation to customs franchise privileges, tax exemptions and the right of establishment."85

Second, the Final Act contains a unilateral declaration of the Hellenic Republic on monetary questions according to which it will, before accession to the Communities, set up a foreign exchange market in Athens. Furthermore, it will take the necessary

⁸¹ Id. at Arts. 124-27.

⁸² Id. at Annex IV.

⁸³ Id. at Annex VIII.

⁸⁴ Id. at Annex X.

⁸⁵ Id. at Final Act, O.J. 1979, No. 291, 186.

measures in order to ensure that in at least one of the foreign exchange markets of the Community, the drachma will be the subject of an official quotation.

Finally, there is at the end of the Documents concerning the accession an "information and consultation procedure for the adoption of certain decisions." Its purpose is to keep Greece adequately informed, during the period between the signature of the Accession Treaty and its entry into force, of any proposal or communication coming from the Commission. Before the Council finally decides on these, there may be consultations with the Greek authorities, within an Interim Committee, at a point in which the decision-making process in the Communities has attained the stage of "common guidelines", not yet decisions. This procedure, which was used in the first enlargement, allows Greece to participate as far as possible, even before accession, in those decisions of the Community which can produce consequences after January 1, 1981. The special procedure provides also for other preparatory work to be done before actual accession.

V. CONCLUSIONS

At the end of this presentation of the Greek accession, a number of concluding remarks may be made. On January 1, 1981, Greece will become the tenth Member State of the European Communities. The Accession Treaty has been approved already by the national parliaments in six of the nine Member States and in Greece. These procedures are near completion in Belgium and Luxembourg. In the Netherlands, the appropriate bill has been deposited before the parliament. No particular difficulties are foreseen in that country.⁸⁷

The accession of Greece to the Communities brings with it a number of problems. In economic matters, Greece is not on the same level of development as the present Community. There is an inflation rate at present around twenty percent annually. Many persons are unemployed or, more often, underemployed. As for agriculture, Greece's entry means an increase in the offer of "Mediterranean" products, such as wine, fruits and vegetables, and olive oil, for which the Community already must cope with surpluses.

But the enlargement of the Communities is in the first instance

⁸⁶ Id. at O.J. 1979, No. L 291, 191.

⁸⁷ Answer of the Council to written question No. 1645/79, O.J. 1980, No. C 150, 19.

a political decision:⁸⁸ the Communities are not reserved solely to those who are "in." When a European State like Greece has freed itself from a non-democratic form of government and then applies immediately for membership in the Communities, there is a political obligation to do the utmost to reach a favorable result. That the present Member States have adhered to this view is evidenced by the signing of the Treaty of Accession. The economic and other problems, which cannot be denied, must be overcome. In the Community as presently constituted, the southern part of Italy and Ireland, for example, have in their time presented similar problems. Structural and regional aids and financial support may be required and will help to overcome these difficulties.

The current agricultural problems of the Community are well known. They will not start only when Greece becomes a member. But there is hope now that a new reflection on a better structured and balanced agricultural policy may bring about adequate solutions. All in all, the difficulties which the Greek accession may bring with it for the Communities, and for Greece, can be solved. The challenge to integrate that country fully into the European Communities must be met.

The Greek accession also can be seen in the larger context of the accession of Greece, Portugal and Spain. In fact, the last two countries both applied for membership in 1977 and negotiations with both candidates are under way. Eventual acceptance also of Portugal and Spain means an "enlargement towards the South," the creation of a Community of Twelve, thus doubling the original number of Member States. In 1978, the Commission not only delivered its opinions on the applications for membership of Portugal and Spain it also came out, in April 1978, with general views on the question of enlargement. May it suffice, at the end of this Article, to name some of the major points of this very rich material.

1. The level of economic development in the three applicant

⁵⁵ See The Emerging European Constitution, in AM. Soc. Int'l L., Proceedings of the 72D Ann. Meeting 166 (1978). The first twenty years of the EEC are presented excellently by Riesenfeld, Building the Common Market—And Beyond, 19 VA. J. Int'l L. 1 (1978).

⁸⁹ See Thirteenth General Report, supra note 16, at 217.

⁹⁰ Commission, Opinion of May 19, 1978, Bulletin of the European Communities, Supp. 5/78.

⁹¹ Commission, Opinion of November 29, 1978, Bulletin of the European Communities, Supp. 9/78.

⁹² Commission, General considerations, Transitional period and institutional implications, Economic and sectoral aspects, Bulletin of the European Communities, Supps. 1-3/78.

countries is significantly lower than the Community average. Greece has about half the gross domestic product per capita as compared with the Community average. Spain is somewhat better off, but Portugal is still below the figure of Greece.

- 2. Thirty-four percent of the workforce in Greece is employed in agriculture (27% in Portugal, 21% in Spain), whereas the average figure for the Community is 8% (but it is 23% in Ireland, 15% in Italy).
- 3. The underemployed work force presents a major problem in all three countries.
- 4. The disparities between the old and new Member States could make the economic and monetary cohesion of the Community even more uncertain.

However, there are also positive aspects of this new enlargement of the Communities.

- 1. All three applicant countries present economic growth rates which are higher than that of the Community. Thus, they present a new potential for industrial goods and some farm products (e.g., cereals, beef and pork, and milk products) in a market which will expand from 260 to 320 million consumers.
- 2. The Community's political, economic and commercial weight in the world will be strengthened. Greece is one of the more important merchant shipping nations of the world. The accession of Portugal and Spain may lead to better cooperation between the Communities and Latin American countries.
- 3. Politically, enlargement means strengthening democracy in those three countries which have just overcome periods of dictatorships. They have shown their confidence in the Communities by applying immediately to become members. It is up to the Community to accept them and then to solve together those problems which confront the Community (e.g., the common agricultural policy or the decision-making process in Community institutions), for the benefit of all nations of Europe, in accordance with the first phrase of the preamble of the EEC Treaty (1958) in which the Heads of State underlined their determination "to lay the foundations of an ever closer union among the peoples of Europe."