COVERING CONFIDENTIAL

Foreign and Commonwealth Office

London SW1A 2AH

Prime Misster.

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' 27 November 1980

N. Werner. It gives some more
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to have a word with the Foreign Serieting
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Dear Michael,

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Political Cooperation

Following the discussion on this subject between the Prime Minister and M. Werner, I enclose a note on Political Cooperation. This sets out briefly the origins and past history of the subject, emphasising its distinctness from the Community, based on the Treaties, and explaining that what Lord Carrington has in mind by way of permanent staff is exceedingly modest, but nevertheless in our view necessary to enable Political Cooperation to function effectively in the future.

This subject is not on the agenda for the European Council next week.

Yours was

(P Lever)

Private Secretary

M O'D B Alexander Esq 10 Downing St London SW1



Improvements in Political Cooperation

- 1. Political Cooperation among the member states of the European Community was established in 1970. It lies outside the framework of the Treaty of Rome and results from voluntary political commitments rather than treaty obligations. These commitments are set out in two documents known as the Luxembourg Report (1970) and the Copenhagen Report (1973), which were presented by Foreign Ministers to meetings of the European Heads of State and Government.
- The machinery of Political Cooperation is separate from that of the Community; only at the level of the European Council are foreign policy and Community subjects discussed together. The Commission does not take part in Political Cooperation, except as an observer, and the Brussels machinery is not available to Political Cooperation. Instead Political Cooperation is administered by the country holding the Presidency, which hosts meetings, provides administrative back-up and acts as a secretariat for the Nine in drawing up agendas, drafting statements and answers for questions in the European Parliament, keeping other interested governments informed, etc.
 - 3. This system has worked reasonably well so far, although it imposes a considerable burden on the country holding the Presidency. It is widely accepted however that cooperation among the Nine on foreign policy questions is approaching the limit of what is possible with the present administrative arrangements. At the same time both the demands and the opportunities are increasing. The activity of the European Parliament has grown markedly since direct elections. Enlargement will add to the difficulties both by making the task of achieving consensus harder, and by introducing countries who have no experience of the administrative work of the Presidency.
- 4. A second problem arising from the current arrangements is that a complete change in the staff administering Political Cooperation every six months can lead to inefficiency. A notable example of this was over the Soviet invasion of Afghanistan, when one of the reasons for the slow European reaction was that the invasion took place at the end of the Irish Presidency and before the Italians were properly organised.
- As European activity in foreign relations becomes more important, it is undesirable from the UK's point of view to leave the administration of foreign policy cooperation in the hands of a series of presidencies whose resources and experience of foreign affairs may be limited. The follow-up

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to the statement on the Middle East by the Venice European Council illustrates some of the problems.

- 6. The Foreign and Commonwealth Secretary has suggested to his colleagues in the Nine that the machinery and procedures of Political Cooperation should be reviewed in the light of 10 years' experience and the changed world situation. The Political Directors of the Nine have been instructed to draw up a report containing options. (The Community and its institutions will not be involved in this.) Lord Carrington meanwhile included a passage on the improvement of Political Cooperation in his Hamburg speech on 17 November.
- 7. Lord Carrington has suggested that it could be useful for the Presidency to have the assistance of a small staff (we have in mind four or five) of experienced diplomats seconded from national Foreign Ministries. Others of the Nine have reacted favourably (in particular the Germans strongly support this approach). But the French attitude remains reserved. In the past they have insisted that they could only accept a secretariat for Political Cooperation if it were based in Paris. We have so far avoided taking a public position on the question of location, which is bound to be difficult. There could, however, be advantage in using Brussels, since the distinction between political and economic aspects of Community foreign relations is artificial. If Brussels were the location it would also be possible for the Presidency staff to draw on the facilities of the Council Secretariat, who could provide administrative support at no extra cost. But the question of a seat for Political Cooperation is unlikely to be settled in isolation from the question of the seats of the Community institutions, and there is no reason to raise it now.