## PRIME MINISTER

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I attach a copy of today's statement by the Lord Privy Seal on the Foreign Affairs Council.

Denis Healey claimed that the statement said nothing, despite Mr. Atkins' frequent reference to it at Question Time beforehand. Mr. Healey characterised the UK Presidency as "a fiasco" so far.

Thereafter, two critical themes emerged from the Opposition benches. The anti-Europeans were angry about what Mr. Stoddart described as the "Rome-Bonn axis" proposals for further European integration. Mr. Stoddart spoke of "treachery" in selling the country down the road. He was pulled up by the Speaker.

Mr. Atkins made it clear that he had welcomed the proposals in his Presidency capacity. But a number of other Opposition Members were highly critical over the proposals.

Secondly, a number of Members were very dissatisfied with the Lord Privy Seal's report on the MFA Negotiating Mandate. Jack Straw suggested that the Lord Privy Seal had said so little because he did not actually understand the Mandate. Mr. Atkins retorted that anybody who had chaired a meeting on it from 2.30 p.m. to 1.30 a.m. was bound to understand a little, but that he had no intention of revealing our negotiating in any detail. The point was nevertheless pursued by Messrs. Cryer, Skinner and Healey. There was some criticism that it was covered in a Foreign Office Minister's statement, and not in a separate statement from Mr. Rees. This could be raised with you.

(SIGNED) M.A.P.

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MR HUMPHREY ATKINS MP, THE LORD PRIVY SEAL, IN THE HOUSE OF COMMONS ON WEDNESDAY 18 NOVEMBER 1981

With permission Mr Speaker, I will make a statement on the Foreign Affairs Council which has just taken place.

The Foreign Affairs Council yesterday discussed all aspects of the 30 May Mandate, in preparation for the European Council in London on the 26th and 27th of November. In addition, to the formal Council sessions, my right honourable and noble Friend and the President of the Commission held bilateral contacts with each Foreign Minister. Discussion was wide-ranging, but progress was only limited. There was general agreement that we should aim for progress on all three chapters of the negotiations (development of Community policies, the CAP and the budget) and that the European Council should be asked to decide operational guidelines on all three. But considerable differences of view remain and there will be a further meeting of the Council tomorrow.

The Foreign Ministers of the Ten meeting in Political Cooperation discussed the German/Italian proposals on European Union, the Middle East, and Chad. As Presidency, we have welcomed efforts by the Federal Republic of Germany and Italy to give greater impetus to the Community. The Ministers agreed that the proposals would be presented to the European Council, which meets in London on the 26th and 27th of November. The Council would decide on the follow up procedure. On the

Inddle East, they discussed the question of participation in the Sinai Force. As the House will know, Governments of the Ten have been engaged for some weeks in consultations on participation in the Multinational Force and Observers to be established in Sinai under the terms of the Agreement between Israel and Egypt. We are seeking a basis which will be in accordance with the requirements of those Governments and of the United States, and which is in conformity with the well-known and fundamental position which the Ten have taken on the Middle East question, notably in the Venice Declaration. Consultations are still continuing.

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The Ministers welcomed the Libyan withdrawal from Chad, and the moves to establish an OAU peacekeeping force. I have arranged for copies of the text of their statement to be placed in the Library of the House.

I chaired a parallel session of the Council which discussed the future arrangements to apply to the Community's imports of low-cost textiles. My honourable and learned Friend the Minister for Trade represented the United Kingdom. Early this morning the Council reached agreement that, in the negotiations on the extension of the multi-fibre arrangement which resume today in Geneva, the Community would seek a number of improvements including arrangements to deal with the problems both of recession and of sudden surges in actual trade. The Commission undertook to report back to the next meeting of the Council on the 7th and 8th of December, which will consider the further decisions which will be required.