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FM F C O 262220Z MAY 81
TO IMMEDIATE THE HAGUE
TELEGRAM NUMBER 85 OF 26 MAY.

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FOR FRANKLIN ON ARRIVAL 27/5/81 A.M. FROM ALEXANDER,
PRIME MINISTER'S OFFICE.

DRAFT CONCLUSIONS OF THE 29-30 JUNE EUROPEAN COUNCIL
ON RESTRUCTURING.

THE HEADS OF STATE AND GOVERNMENT HAD A FIRST DISCUSSION OF
THE COMMISSION'S PAPER. THEY CONFIRMED THAT THE NECESSARY
DECISIONS UNDER THE 30 MAY MANDATE SHOULD BE TAKEN BEFORE THE
END OF THE YEAR. THIS WOULD THEREFORE BE THE MAJOR TOPIC FOR
THE MEETING IN LONDON ON 26-27 NOVEMBER.

THEY AGREED THAT THE PREPARATORY WORK WOULD NEED TO
CONCENTRATE ON:

- (I) IMPROVING THE C A P BY BRINGING ITS COSTS UNDER FIRM
CONTROL AND BY DISCOURAGING THE PRODUCTION OF
STRUCTURAL SURPLUSES;
- (II) THE FUTURE DEVELOPMENT OF OTHER COMMUNITY POLICIES IN
SUCH A WAY AS TO CONTRIBUTE MOST EFFECTIVELY TO THE
NEEDS OF THE COMMUNITY IN THE 1980'S AND TO THE
ECONOMIC CONVERGENCE OF MEMBER STATES;
- (III) CONSIDERATION OF SUCH ADDITIONAL MEASURES AS MAY BE
NEEDED TO AVOID THE RECURRENCE OF AN UNACCEPTABLE
SITUATION FOR ANY MEMBER STATE.

THE HEADS OF STATE AND GOVERNMENT ASKED THE FOREIGN AFFAIRS
COUNCIL, DRAWING ON THE WORK OF OTHER COUNCILS AS APPROPRIATE,
TO MAKE THOROUGH PREPARATIONS FOR THEIR MEETING IN NOVEMBER.
THEY ASKED THE COMMISSION TO CONTINUE ITS CONTRIBUTION AND TO
MAKE THE NECESSARY FORMAL PROPOSALS IN GOOD TIME.

THE HEADS OF STATE AND GOVERNMENT MADE IT CLEAR THAT THEY
INTENDED TO TAKE A CLOSE AND CONTINUING PERSONAL INTEREST IN
THE WORK UNDER THE 30 MAY MANDATE, WHICH THEY REGARDED AS
ESSENTIAL TO THE FUTURE WELLBEING AND DEVELOPMENT OF THE
COMMUNITY.

CARRINGTON

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