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PM/85/99

PRIME MINISTER

Anglo-German Summit

1. Since you are unable to have a briefing meeting it may be helpful if I set down in writing some recommendations on the handling of the Summit.

2. I see our main objectives as being:

- (a) to establish as much common ground as possible on the approach to the Luxembourg European Council;
- (b) to reach agreement on the way forward for East/West relations, post Geneva;
- (c) to get the Germans to agree to abstain on the Falklands vote in the UN.

3. I recommend that you should start your private meeting with Kohl by touching on the areas of common interest which underlie our relationship with the Germans:

- (a) political philosophy (you might mention the successful CDU/CSU visit);
- (b) defence and security cooperation (In addition to the EFA, and our enduring commitment to forward defence in Germany, you might suggest to Kohl that you and he should make a joint visit to British Forces Germany, at the time of the next bilateral summit);
- (c) Eureka;

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[This is more for the press conference than the talks]



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(d) the development of contacts between the youth of the two countries (as a result of work put in hand at the last Summit, some modest but useful new measures are to be announced at this Summit).

4. You could then turn to the prospects for the European Council. We have stressed to the Germans at every level, as I did myself when I saw Kohl in Bonn on 3 October, that there must be no repetition of the Franco-German manoeuvres which preceded Milan. They have made it clear that they regret the way that episode was handled, and this time have so far kept in close touch with us.

5. Our aim now must be to convince Kohl, by showing him the extent of the agreement between us, that we must work together to get the right result in the European Council. Our positions on most of the issues are already close. In particular we are agreed that we must get on with completion of the internal market (we both are prepared to consider an extension of majority voting to help achieve that objective); that unanimity must be maintained for all important decisions on the environment and technology; that in any procedure with the European Parliament, the Council must have the last word (see Annex A for a more detailed report on IGC discussion in that area); and that we must join forces to fight off demands from the southern member states for additional resource transfers.

6. You will find that Kohl attaches particular importance to agreement on the political cooperation treaty; some limited treaty change to promote internal market objectives; a procedural change vis a vis the Parliament and some preambular references to European union.

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7. OD(E) agreed on 20 November that to achieve our internal market objectives we could contemplate, subject to certain safeguards, treaty change to provide for increased majority voting. We see it as essential to maintain unanimity for all measures affecting the rights and interests of employees ("social engineering"), and we must get full protection for our standards of human, animal or plant health. If there is a change to majority voting in some areas of Article 100, however, it is essential that there should be a new article on the environment to ensure that unanimity is maintained for all measures in that area. A great deal of this - but by no means all - is broadly agreed in the conference: we have maintained our general reserve.

8. I hope that you will use this meeting to ascertain Kohl's intentions about inclusion in the Luxembourg conclusions of any reference to the EMS or to economic and monetary union. In ECOFIN we have been able to align ourselves with the Germans in opposing any treaty change in this area. But we are still getting contradictory indications from M. Santer and others of where the Germans are likely to end up. Our aim must be to ensure that the Germans do not collapse on to some language about economic and monetary union which goes further, in the light of earlier statements about this, than we could accept.

9. In case Kohl refers to it, you should also be aware that the French have put forward a draft preamble for the first section of the kind of document which they hope might be agreed at the European Council. We have made it clear to them that we could not accept any text which would bring political cooperation within the ambit of the Treaty of Rome. They agree - and their draft would not have that effect. I shall

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[It's awful -  
he doesn't  
share  
show it  
to you!]



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shall be letting you have a commentary on this before the Luxembourg meeting. We have reserved our position.

10. You will also want to discuss with Kohl arms control and East/West relations, in the light of the Geneva Summit. You could mention our joint initiative in the MBFR context and compare notes about our participation in SDI research. Domestic political and economic developments in both countries and economic/trade issues are perhaps best left until lunch. Kohl may raise with you UNESCO, restrictions on training by British forces in Germany, German draft-dodgers in ~~Britain~~<sup>Berlin</sup>, and ratification of the additional protocols (covering attacks on civilians) to the Geneva Conventions.

11. When Genscher and I join in it would be useful if you could give us the flavour of the line you will have taken with Kohl on EC matters: Genscher has maverick tendencies - as you will recall, he played an unhelpful role in Milan. We might then have a word about the press conference: I attach at Annex B some notes on which you may find it useful to draw.

12. I am copying this minute to the Private Secretaries of Ministers attending the Summit, and to PS/Sir Robert Armstrong.

GEOFFREY HOWE

Foreign & Commonwealth Office

26 November 1985

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ANNEX A : IGC/EUROPEAN PARLIAMENT

1. Throughout the discussions we have exerted ourselves to ensure that ambitious proposals on the Parliament are ruled out, while making it clear that the governments will only decide whether any treaty change is justified at the end of this process, in the light of precisely what is proposed (and all that is proposed).
2. Three member states put forward proposals on the Parliament. The Italians proposed giving the Parliament a general power to block Community legislation. The Germans proposed an immensely cumbersome conciliation procedure which would have brought decision taking to a halt. The French initially proposed that the Parliament should be enabled, by the vote of an absolute majority of its members, to trigger a shift from unanimity to majority voting in the Council under certain articles of the treaty.
3. In the conference we have been able to erode support for all these proposals. We have made clear that we shall not be prepared to consider anything that would upset the institutional balance and that the Council must have the last word.
4. The Presidency have now put forward a far more modest proposal which would indeed amount to an essentially procedural change.
5. The procedure envisaged would operate in respect only of those treaty provisions which would already provide for qualified majority voting on the internal market. The Parliament could not trigger a shift away from unanimity to majority voting in the Council. That, of course, would be entirely unacceptable, as we have made clear in the conference. In order to propose amendments to a common position of the Council, the Parliament would have to muster a vote of an absolute majority of its members. This is hard to achieve, particularly with the three month time limit for consideration by the Parliament enshrined in this proposal. It is essential, of course, that a time limit should be maintained.

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6. If an absolute majority of the Parliament did wish to propose amendments, the procedure then would depend on whether the Commission maintained its original proposal or made a new proposal. In the latter event the Council would have to decide unanimously if it wished to change the Commission's proposal. That, of course, is already the case under the existing Article 149 of the treaty and amendments the French have proposed would take the procedure, in its final phase, back to the provisions of Article 149.

7. This proposal has been fiercely criticised by the Parliament as continuing to relegate it to a purely consultative role; and by the Italians and Benelux, It also falls well short of the original French and German proposals, though the French and Germans at present are supporting it.

8. In addition, it has been proposed in the conference that the Parliament's assent should be required for changes to the uniform electoral procedure (Article 138), own resources (Article 201), treaty amendment (Article 236), new accessions (Article 237) and new association agreements (Article 238). In the conference we have been able to secure the defeat of most of these proposals, though there is still argument over Article 138, where the Parliament already has a role. The Presidency in the end may propose, as a "minimum" solution, that the Parliament's assent should be required for new accessions and new association agreements.

9. We do not need to take a view on this matter now. These matters will be the subject of further discussion in the conference over the next few days. The Foreign Secretary will make a recommendation in the light of what finally is proposed.

[Even this is hard to accept]

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ANNEX B : NOTES FOR THE PRESS CONFERENCE

- (a) East/West Relations and Arms Control (to be updated)
- Valuable to have this chance to take stock together so soon after the Geneva Summit.
  - Welcome prospects for improved relations between the United States and more broadly between East and West.
  - Particularly welcome new impetus to arms control talks at Geneva and elsewhere.
  - Reagan's briefing on 21 November provided confidence for future and demonstrated depth of Alliance consultation.
- (b) European Community (may need to be updated in light of IGC, 25-26 November)
- Worked closely together in the intergovernmental conference.
  - Will continue to do so at the European Council.
  - Both want to see agreement which takes us forward in the Community, speeding up completion of the Common Market with the prospects for prosperity and jobs which that will bring.
- (c) Eureka
- Welcome successful outcome of the Ministerial meeting at Hanover.
  - As Chairman for next 6 months, we are determined to maintain the momentum of Eureka and create the environment to enable Eureka projects to flourish.

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(d) Anglo/German relations

- Defence relationship is of central importance to our two countries and to NATO as a whole.
- We work closely together in the Conference on Disarmament in Europe, and the MBFR negotiations.
- UK's continuing and undiminished commitment to forward defence in Germany is demonstrated by the stationing there of 66,000 British Army and Air Force servicemen.
- (In recognition of BFG's important role, Chancellor Kohl and I have agreed to make a joint visit there at the time of our next bilateral summit in Germany.)
- Look forward to State Visit of President von Weizsaecke.
- In our joint statement on Anglo/German relations at Chequers in May 1984, we surveyed the close links at all levels between the governments and citizens of our countries.
- Stressed the importance of developing contacts between young people.
- Now endorsed new measures to promote youth contacts in different fields and age-groups.

(e) Anglo/Irish Agreement

- Welcomed Federal Government's warm support for Anglo/Irish Agreement.
- Share the hope that the Agreement will contribute to restoring peace and stability in Northern Ireland.

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