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FM UKREP BRUSSELS

TO IMMEDIATE FCO

TELNO 4460

OF 171721Z DECEMBER 85

INFO PRIORITY EUROPEAN COMMUNITY POSTS, LISBON, MADRID

FRAME GENERAL/INSTITUTIONS

IGC: BRUSSELS 16/17 DECEMBER

SUMMARY

GENERAL

1. AFTER A DAY AND A HALF, THE IGC CLEARED UP ALL THE POINTS LEFT OVER FROM THE LUXEMBOURG EUROPEAN COUNCIL SUBJECT TO GENERAL RESERVES FROM ITALY AND DENMARK AND THE UK RESERVE ON SOCIAL POLICY. ANDREOTTI (ITALY) GAVE THE CLEAR IMPRESSION THAT THE ITALIANS ARE ANXIOUS TO GET BACK ON BOARD. THE DANES TOO WORKED HARD TO MAKE THEIR TASK VIS A VIS THE FOLKETING AS EASY AS POSSIBLE. DELORS IS AGAIN TALKING OF DISASSOCIATING THE COMMISSION BUT WAS URGED BY EVERYONE TO THINK HARD BEFORE GOING PUBLIC.

INTERNAL MARKET

2. THE RESERVES ON THE LIST OF ARTICLES FOR QM WERE LIFTED, SUBJECT TO MINOR CLARIFICATIONS AND UNILATERAL STATEMENTS. MODELS FOR IMPLEMENTATION WILL BE ADOPTED BEFORE THE TREATY ENTERS INTO FORCE AND WILL GIVE A PREDOMINANT PLACE TO THE ADVISORY COMMITTEE PROCEDURE. AN INTERPRETATIVE STATEMENT, AGREED WITH DIFFICULTY, CLARIFIES THAT ARTICLE 1 CARRIES NO AUTOMATIC LEGAL EFFECT.

EUROPEAN PARLIAMENT

3. TWO ATTEMPTS TO EXTEND THE SCOPE OF THE COOPERATION PROCEDURE WERE SEEN OFF. SOME COSMETIC ADDITIONS WERE MADE TO THE PROCEDURE FOR HANDLING EP AMENDMENTS, WHICH HAS ALSO BEEN USEFULLY CLARIFIED. THE PROPOSAL FOR A REVIEW OF THE EP'S POWERS BEFORE 1992 WAS RESISTED. THE DUTCH PRESIDENCY WILL TRY TO REVISE THE COUNCIL'S RULES OF PROCEDURE TO ENCOURAGE EARLIER VOTING.

MONETARY COOPERATION

4. THE BELGIAN AMENDMENTS WERE REJECTED SUBJECT TO TWO MINOR TEXTUAL IMPROVEMENTS WHICH WERE ACCEPTED. THE PRESIDENCY AND COMMISSION WILL ISSUE A STATEMENT TO CLARIFY THAT THE TREATY AMENDMENTS DO NOT PREJUDICE THE OPERATION OF THE EMS IN THE FRAMEWORK OF EXISTING POWERS.

COHESION

5. THE PHRASE ABOUT ADEQUATE FINANCING HAD BEEN DELETED IN FAVOUR OF A STATEMENT CONTAINING A NON-COMMITTAL REFERENCE TO THE CONCLUSIONS OF THE 1984 BRUSSELS EUROPEAN COUNCIL.

SOCIAL POLICY

6. NO DISCUSSION OF SUBSTANCE. UK AND (TACTICAL) ITALIAN RESERVES STAND.

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7. PROPOSALS APPROVED.

ENVIRONMENT

8. THE DECLARATION ON EXTERNAL COMPETENCE SURVIVED INTACT.

TECHNOLOGY

9. CONSEQUENTIAL AMENDMENT TO OWN RESOURCES DECISION AGREED.

POLITICAL COOPERATION TREATY (NOT REPORTED FURTHER BY TELEGRAM)

10. SUBSIDIARY DOCUMENTS TIDIED UP. SECRETARIAT WILL CONSIST OF 5 MEMBERS. HEAD TO BE APPOINTED UNDER ARRANGEMENTS TO BE AGREED BETWEEN MINISTERS.

SINGLE ACT

11. AFTER A LONG WRANGLE, OTHER DELEGATIONS WERE PERSUADED TO SETTLE FOR THE TITLE 'SINGLE EUROPEAN ACT'. ARTICLE 1 NOW REFERS TO 'THE OBJECTIVE OF CONTRIBUTING TOGETHER TO MAKING CONCRETE PROGRESS TOWARDS EUROPEAN UNITY' (INSTEAD OF 'THE ESTABLISHMENT OF EUROPEAN UNION').

OTHER PROPOSALS

12. THERE WAS A HALF-HEARTED ATTEMPT TO CONTINUE THE CONFERENCE SO THAT OTHER PROPOSALS, IN PARTICULAR CULTURE, COULD BE WORKED UP. BUT IT WAS AGREED WITHOUT MUCH DIFFICULTY THAT THE IGC SHOULD BE WOUND UP AND THAT OTHER PROPOSALS SHOULD BE TAKEN FORWARD ON THEIR MERITS ELSEWHERE.

13. DETAIL IN MY 5 IFTS AND TEL NO 4448.

HANNAY

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FCO ADVANCE TO:-

FCO - PS, PS/MR RIFKIND, RENWICK, WALL, EATON

CAB - WILLIAMSON, JAY

DTI - BRECKNELL, LOUGHEAD

MAFF - HADLEY

TSY - LAVELLE

DOE - GRUFFYD-JONES

D/EN - FREEMANTLE

(REPEATED AS REQUESTED)

D/EM - LAMBERT

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