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PREPARATION FOR EUROPEAN COUNCIL: 26-27 JUNE

SUMMARY

1. BOTH ELYSEE AND MATIGNON EXPECT SUMMIT TO BE PRINCIPALLY CONCERNED WITH THE AFTERMATH OF CHERNOBYL, INTERNATIONAL AGRICULTURE AND SOUTH AFRICA.

DETAIL

2. IN CONTACTS WITH MME GUIGOU (ELYSEE) AND DE SILGUY (MATIGNON) WE HAVE TAKEN STOCK OF THE FRENCH APPROACH TO THE EUROPEAN COUNCIL.

BOTH IDENTIFIED CHERNOBYL, THE INTERNATIONAL DIMENSIONS OF AGRICULTURE AND SOUTH AFRICA AS THE PRINCIPAL ITEMS ON THE AGENDA, WITH SOME DISCUSSION ON THE EC ECONOMIC AND SOCIAL SITUATION AND A STOCKTAKING OF PROGRESS ON THE INTERNAL MARKET. NEITHER EXPECTED THIS COUNCIL TO YIELD SPECTACULAR RESULTS, BUT BOTH THOUGHT IT SHOULD USEFULLY REINFORCE EC SOLIDARITY ON THE KEY ISSUES.

CHERNOBYL

3. BOTH ELYSEE AND MATIGNON ARE FIRMLY OPPOSED TO ENLARGING COMMUNITY COMPETENCE IN NUCLEAR SAFETY AND INTERNATIONAL CONTROL. THEY AGREE WITH US THAT THE IAEA IS THE PROPER AGENCY FOR THESE MATTERS. WE DETECTED A DIFFERENCE OVER THE TACTICAL HANDLING OF CHANCELLOR KOHL'S PROPOSAL FOR AN INTERNATIONAL CONFERENCE ON THESE SUBJECTS, WITH MME GUIGOU SAYING MITTERRAND WAS 'NOT AGAINST' AN INTERNATIONAL CONFERENCE AND DE SILGUY DECLARING THAT THE FRENCH GOVERNMENT DISLIKED THE PROPOSAL. ON THE SUBSTANCE, HOWEVER, BOTH INSISTED ON THE IMPORTANCE OF PREVENTING AN ANTI-NUCLEAR CLIMATE FROM ESTABLISHING ITSELF ON A PERMANENT BASIS IN FORA DEALING WITH VIRTUALLY EVERY COMMUNITY ACTIVITY INCLUDING AGRICULTURE, THE ENVIRONMENT, ETC THIS WOULD BE PARTICULARLY DANGEROUS FOR THE UK AND FRANCE BECAUSE SENTIMENT AGAINST NUCLEAR ENERGY COULD EASILY BE MOBILISED AGAINST NUCLEAR WEAPONS. MITTERRAND HAD WARNED KOHL OF THE DANGERS OF ALLOWING DISCUSSION OF NUCLEAR MATTERS TO RANGE WIDELY WITHIN THE COMMUNITY. IT WOULD BE USEFUL TO ENGAGE IN JOINT STUDIES AND TO WORK FOR HARMONISATION ON SUCH INNOCUOUS ASPECTS AS RESEARCH, HEALTH PROTECTION MEASURES AND THE PROVISION OF INFORMATION TO THE PUBLIC.

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4. DE SILGUY ADDED THAT THE COMMUNITY MUST IN FUTURE RESPECT OBJECTIVE SCIENTIFIC EVIDENCE ON SAFETY NORMES. THE COMMUNITY HAD SO FAR ACTED UNDER PRESSURE OF EVENTS WHEN FIXING THE SAFETY THRESHOLD FOR IMPORTED AGRICULTURAL PRODUCE IN THE IMMEDIATE AFTERMATH OF CHERNOBYL.

ECONOMIC AND SOCIAL SITUATION

5. DE SILGUY THOUGHT THAT CHIRAC WOULD TAKE THE OPPORTUNITY TO OUTLINE THE ECONOMIC POLICY OF THE NEW FRNCH GOVERNMENT. THE FRENCH, HE SAID, WERE IN GENERAL AGREEMENT WITH US ON THE NEED FOR GREATER FLEXIBILITY OF LABOUR MARKETS, BUT HE WAS NOT ABLE TO COMMENT IN DETAIL ON THE UK PAPER, OTHER THAN TO SAY THAT THE FRENCH WOULD HAVE SOME DIFFICULTY ON THE MATTER OF ALLOCATION OF SOCIAL FUNDS, ESPECIALLY IF THESE WERE INCREASED, BUT ALSO EVEN IF IT WERE ONLY A MATTER OF REALLOCATION.

INTERNAL MARKET

6. NEITHER MME GUIGOU NOR DE SILGUY LOOKED FOR MAJOR DISCUSSION UNDER THIS HEADING, BUT RATHER A REAFFIRMATION OF THE NEED TO MAINTAIN PROGRESS TOWARDS THE 1992 DEADLINE. COMMENTING ON REPORTS IN THE FINANCIAL TIMES OF 23 JUNE, DE SILGUY SAID IT WOULD BE INAPPROPRIATE FOR THE DUTCH TO TRY TO MOUNT A DISCUSSION OF AIR TRANSPORT LIBERALISATION AT THE COUNCIL. THE DOSSIER HAD BEEN BADLY HANDLED BY THE COMMISSION AT THE 19 JUNE TRNSPORT COUNCIL, AND WAS A MATTER FOR TRANSPORT MINISTERS TO ADDRESS ON 30 JUNE. THE FRENCH WOULD NOT PROVE HOSTILE TO AIR TRANSPORT LIBERALISATION, BUT ON A GRADUAL BASIS WHICH DID NOT UPSET THE FINANCES OF AIR FRANCE SINCE THE STATE HAD NO WISH TO ASSUME THE BURDEN OF BAILING OUT THIS ARLINE.

INTERNATIONAL AGRICULTURE

7. WE PASSED TO MME GUIGOU AND DE SILGUY COPIES OF THE FACT SHEET ON AGRICULTURAL PROTECTIONISM (YOUR TELNO 172 TO ATHENS). MME GUIGOU SAID THAT THE FRENCH EXPECTED DISCSSION IN THE COUNCIL TO TAKE ACCOUNT OF THE POSITION AGREED IN TOKYO, WHICH IN THEIR VIEW WAS MORE BALANCED THAN THE APRIL OECD STATEMENT. FRANCE WAS READY TO DISCUSS THE PROBLEMS OF INTERNATIONAL AGRICULTURE, BUT NOT TO SEE THIS DEVELOP INTO A WIDER DEBATE ON THE PRINCIPLES OF THE CAP NOR ON ITS ESSENTIAL ELEMENTS SUCH AS EXPORT RESTITUTIONS. DE SILGUY TOOK THE SAME LINE. IT WAS NOT FOR THE EUROPEAN COUNCIL TO DISCUSS THE CAP AS SUCH. CAP REFORM WAS UNDER WAY WITH NOTABLE RESULTS SO FAR IN MILK AND CEREALS. THE NEXT TO BE TACKLED WERE THE BEEF REGIME AND OILS AND FATS. PROGRESS MUST BE STEADY BUT NOT OVER-HASTY. THERE WAS NO POINT IN THE COUNCIL LAUNCHING UPON A DISCUSSION WHICH

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REVEALED DIFFERENCES AMONGST MEMBER STATES (EG NORTH VERSUS SOUTH) WHEN THE IMPORTANT THING WAS TO STAND TOGETHER.

8 TURNING TO THE EC/US DISPUTE, BOTH MME GUIGOU AND DE SILGUY WARMLY WELCOMED THE AGREEMENT ON COUNTER-MEASURES REACHED BY EC FOREIGN MINISTERS. IT SHOWED THAT THE COMMUNITY WAS READY TO ACT TOUGHLY IF NEGOTIATIONS WITH THE AMERICANS FAILED. THE FACT THAT THE EC HAD SINGLED OUT A SENSITIVE PRODUCT SUCH AS CORN GLUTEN FEED SHOWED HOW SERIOUSLY THE EC TOOK THE AMERICAN THREAT.

9. ON THE GATT, BOTH RESTATED THE KNOWN FRENCH POSITION THAT AGRICULTURE SHOULD NOT HAVE PRIORITY ATTENTION IN THE NEW ROUND. COMMUNITY POSITION OF MARCH 1985 HELD GOOD. NOR WOULD THE FRENCH BE READY TO AGREE TO THE SETTING UP OF AD HOC EUROPEAN/AMERICAN GROUPS TO TRY TO RESOLVE INTERNATIONAL DIFFERENCES ON AGRICULTURE.

SOUTH AFRICA

10. FOR FRENCH ATTITUDES TO SOUTH AFRICA SEE MIFT. (NOT TO ALL)

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