



MS2CIN

apl

10 DOWNING STREET

From the Private Secretary

MR WILLIAMSON
CABINET OFFICE

EUROPEAN COMMUNITY: UK PRESIDENCY

Thank you for your minute of 26 August to Charles Powell here, and the attached report of progress made during the first month of the UK's presidency.

The Prime Minister has noted this, and raised one question on it. In relation to paragraph 9, she has asked why the costs of postal charges should have been standardised in that way, when the resulting overall reduction in cost will have to be carried on internal mail services?

I am copying this to Sir Robert Armstrong and Bernard Ingham.

Mark Addison

27 August 1986

apl

010



cc pc

Prime Minister (2)

MSA 26/8

Qz.05245

MR POWELL

EUROPEAN COMMUNITY: UNITED KINGDOM PRESIDENCY

--- During the first month of the United Kingdom Presidency we were successful in settling a good number of outstanding issues within the European Community. We have circulated to Departments the attached note and will be updating it regularly during the autumn. You may find it helpful to have this available. Although some of the points are not of great importance, it seems to us that the final agreement on the Single Administrative Document and on the COMETT programme are very much in line with the Prime Minister's own views.

I am sending a copy to Sir Robert Armstrong and to Bernard Ingham.

D F Williamson

D F WILLIAMSON

26 August 1986

COMMUNITY SUCCESSES DURING UNITED KINGDOM PRESIDENCY
(up to 31 July 1986)

EXTERNAL RELATIONS

EC/US

1. Agreement was reached with the United States on 1 July on an interim settlement on the agricultural trade consequences of Spanish and Portuguese accession. Intense but difficult negotiations continue in an attempt to reach a formal solution.
2. Ad referendum agreement was reached with the United States on 9 July on the level of exports of Community semi-finished steel products from 1986 to 1989.

New Zealand Butter

3. Agreement was reached at the 21-22 July Foreign Affairs Council on an import regime guaranteeing New Zealand preferential access for imports of 76,500 tonnes of butter to the Community in 1987 and 74,500 tonnes in 1988.

BUDGET

4. The United Kingdom presidency secured agreement at the Budget Council on 7 July on a new budget for the Community for 1986, only 4 days after the European Court of Justice had declared the original 1986 budget - adopted by the European Parliament without the agreement of Ministers - illegal.

INTERNAL MARKET

Rolling Action Programme

5. Agreement has been reached on the following measures included in the rolling action programme for completion of the internal market:

a. COMETT

The Internal Market Council on 24 July formally adopted the COMETT programme, which will improve collaboration between higher education and industry in the field of advanced training.

b. Training in General Medical Practice

The Internal Market Council on 24 July agreed a directive allowing suitably qualified general practitioners to work in any member state.

c. Telecommunications Equipment

The Internal Market Council on 24 July adopted a directive opening up the market for telecommunications terminal equipment by requiring the mutual recognition of the results of equipment tests conducted in any one member state.

d. Tractor Controls

The Internal Market Council on 24 July adopted a directive providing for a single control layout, with standardised markings, which will be acceptable in every member state. This will help manufacturers cover the entire Community market with a smaller range of models.

e. Outward Processing

The Internal Market Council on 24 July adopted a directive aimed at ensuring that the reliefs of goods re-imported under outward processing arrangements are consistently applied throughout the Community.

Single Administrative Document

6. A standardised customs form for the whole Community will, from next year, replace more than 70 different forms currently being used by member states. The Commission announced at the 24 July Internal Market Council that the necessary implementing regulations had been adopted: member states are now setting up the necessary practical arrangements to ensure the new system works smoothly from 1 January.

Rules of Origin

7. Agreement was reached at the 24 July Internal Market Council - within 6 days of the first working group discussion - on a regulation defining the rules of origin for trade between Spain and Portugal during the post-accession transitional arrangements. This defused a tricky bilateral dispute.

TRANSPORT

Aviation

8. The Commission announced on 10 July that it was writing to 10 Community airlines saying that they had infringed Community competition rules and requiring them to end the infringements. This will help the United Kingdom's efforts towards better, cheaper air transport services in Europe.

PEOPLE'S EUROPE

Postal Rates

9. The Post Office announced on 1 July that from 1 October postal rates for inland letters and letters to other Community destinations will be the same (18p). The cost of sending letters to Continental addresses will as a result fall by 4p.

*Why? This will only
have to be covered
on return of mail services
and*

RESEARCH

International Cooperation

10. Agreement was reached in July - within six days of first working group discussion - on a framework for cooperation in research and development between the Community and Austria.

AGRICULTURE AND FISHERIES

Fisheries

11. Agreement was reached in July on:

a. the quantities of certain fish to be taken in 1986 by Community vessels in waters regulated by the Northwest Atlantic Fisheries Organisation (NAFO); and

b. the quantities of herring to be taken in 1986 by Community vessels in the Skagerrak and Kattegat - the channels between Denmark and, respectively, Norway and Sweden - and the allocation of those quantities between member states.

Wine

12. The 15 July Agriculture Council agreed to establish a vineyard register, which will help provide information necessary to implement reforms agreed in 1984 to reduce the Community's wine producing capacity.

Cabinet Office

6 August 1986