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FM COPENHAGEN

TO IMMEDIATE FCO

TELNO 0300

OF 271720Z NOVEMBER 86

INFO IMMEDIATE UKREP BRUSSELS

FRAME GENERAL

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YOUR TELNOS 430-433 TO ATHENS : EUROPEAN COUNCIL.

SUMMARY

1. DENMARK CONTENT WITH REPORT ON THE ECONOMIC AND SOCIAL SITUATION AND, GENERALLY, WITH THAT ON FRONTIER CONTROLS, ETC. BUT PROBLEM WITH THE INTERNAL MARKET PACKAGE. PRIME MINISTER WILL RAISE CUSTOMS DEROGATION QUESTION AT THE EUROPEAN COUNCIL. SOUTH AFRICA NOT RAISED.

DETAIL

- 2. WE GAVE THE PRIME MINISTER'S MESSAGE (WITH DANISH TRANSLATION) AND THE TWO REPORTS TO MR SCHLUETER'S OFFICE (NEHRING) ON 27 NOVEMBER AND ALSO HANDED COPIES TO THE MFA (OSTROM-MOELLER).
- 3. NEHRING SAID THAT AT COREPER ON 27 NOVEMBER THE COMMISSION HAD TABLED A PROPOSAL ON THE CUSTOMS DEROGATION SOUGHT BY DENMARK. THIS DID NOT GO AS FAR AS DENMARK HAD HOPED AND SO THE PRIME MINISTER WOULD RAISE THE SUBJECT, IN A LOW-KEY WAY, AT THE EUROPEAN COUNCIL, PERHAPS IN THE CONTEXT OF DISCUSSION OF THE INTERNAL MARKET IN THE REPORT OF THE ECONOMIC AND SOCIAL SITUATION. (SINCE THEN WE HAVE SEEN YOUR TELNOS 110-112 ON WHICH WE SHALL TAKE ACTION AS SOON AS POSSIBLE AND REPORT FURTHER. BUT NEHRING WAS SPECIFIC THAT THE COMMISSION HAD PUT FORWARD PROPOSALS ON 27 NOVEMBER. HAVE THERE BEEN DEVELOPMENTS SINCE THE 25 NOVEMBER COREPER?)
- 4. HE FULLY EXPECTED THE EUROPEAN COUNCIL TO GIVE A STEER ON THE NEED TO REACH DECISIONS ON BEEF AND MILK AT THE DECEMBER AGRICULTURAL COUNCIL. (OSTROM-MOELLER ADDED THAT WE COULD EXPECT DENMARK TO BE HELPFUL ON THIS POINT.) HE HAD NO OTHER COMMENTS ON THE PAPERS.
- 5. OSTROM-MOELLER SAID THAT IN DISCUSSION OF THE PAPER ON FRONTIER CONTROLS DENMARK WOULD HAVE TO HAVE AN EYE TO NORDIC UNION CONSIDERATIONS. HE APPRECIATED THE PRESIDENCY INITIATIVE ON THIS POINT.
- 6. ON THE REPORT ON THE ECONOMIC AND SOCIAL SITUATION, HE SAID THAT DENMARK HAD A PROBLEM WITH THE INTERNAL MARKET PACKAGE. THE QUESTION OF NOISE LEVELS FOR BULLDOZERS WAS ONE IN WHICH THE PRIME MINISTER HAD BEEN PERSONALLY ENGAGED. BUT THE TRADE UNIONS WERE PROVING IMPOSSIBLE TO BUDGE, NOT FOR TECHNICAL REASONS BUT BECAUSE THE OPPOSITION SOCIAL DEMOCRATS, FOR POLITICAL REASONS.

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WERE URGING THE TRADE UNIONS TO CAUSE PROBLEMS. WE SHALL NO DOUBT HEAR MORE OF THIS AT THE MINISTER FOR TRADE'S MEETINGS WITH THE MINISTER FOR INDUSTRY AND TYGESEN (MFA) TOMORROW (28 NOVEMBER).

- 7. OSTROM-MOELLER SAID THAT DENMARK WAS IN AGREEMENT WITH THE PRESIDENCY OVER SMES AND DEREGULATION.
- 8. NEATHER ANTERLOCUTOR REFERRED TO THE POSSABLE DISCUSSION OF SOUTH AFRACA BY HEADS OF GOVERNMENT.

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