

210
Qz.03179

MR COLES *AR 2/6*

cc: Mr Fall, Foreign and Commonwealth Office
Mr Kerr, H M Treasury
Mr Ballard, Dept of Environment
Mr Shaw, Dept of Employment
Mr Spencer, Dept of Trade and Industry
Sir Robert Armstrong

EUROPEAN COUNCIL, 17-19 JUNE: DRAFT WRITTEN PARLIAMENTARY
STATEMENT BY THE PRIME MINISTER

--- You said that the Prime Minister would like to have
the draft of a written parliamentary statement on the
results of the European Council of 17-19 June. This is
attached. It is in a form which might be readily adapted
if it were decided that the statement should be oral.

D F Williamson

D F WILLIAMSON

20 June 1983

EUROPEAN COUNCIL, 17-19 JUNE: DRAFT WRITTEN
PARLIAMENTARY STATEMENT BY THE PRIME MINISTER

The European Council met in Stuttgart on
17-19 June. My rt. hon. Friend, the Secretary of
State for Foreign and Commonwealth Affairs, and
I represented the United Kingdom. The
principal questions discussed were the future
financing of the Community and the long term
correction of budget problems; the 1983 budget
refund for the United Kingdom; and the declaration
on European Union initiated by Herr Genscher and
Signor Colombo. *Conclusions in letter*

On the long term problems I made clear that
the United Kingdom attached the highest importance
to the establishment of guidelines, a tight
timetable and an effective procedure for
discussions during the autumn on the major issues.
It has now been agreed that negotiations will be
started under an urgent procedure; that special
Council meetings will take place at the level
of Foreign Ministers and Finance Ministers; and
that the result of the negotiation will be
submitted to the next meeting of the European
Council in Athens on 6 December 1983. The main
issues for discussion will be measures to ensure
effective control of agricultural and other
/Community

Community expenditure; measures to avoid the constantly recurring problems of the financial consequences of the Community budget and its financing; the Community's requirements in terms of own resources; the development of Community policies particularly in the field of research, innovation and new technologies; and the objective of concluding the accession negotiations with Spain and Portugal. The decisions on all these issues have not been prejudged but the negotiation within the Community to achieve acceptable results has now been effectively launched.

Agreement was also reached on a 1983 budget refund for the United Kingdom of 750 million ecu (£437 million). The effect of this agreement is that over the period 1980-83 the United Kingdom receives budget refunds of more than £2,500 million, which is broadly equivalent to two-thirds of its unadjusted net contribution. This result is fully in line with what my rt. hon. Friend, the then Chancellor of the Exchequer, told the House on 2 July 1980. The figure of 750 million ecu will now be put into the draft Community budget for 1984, in accordance with the undertaking made by the European Council at its March meeting. The refunds will be made available through measures of Community interest within the United Kingdom.

I am making available in the Library of the House the text of the Solemn Declaration on European Union, which I signed. We strongly support the objectives of greater political cooperation and more efficient decision-making procedures which are set out in this declaration. We welcome this reaffirmation of the wider objectives of the European Community.

In addition, the European Council discussed a number of other issues of immediate importance. It welcomed the decisions of the Council of Ministers on the reform of the European Social Fund, which will allow a high degree of priority to be given to the fight against youth unemployment and called for active consideration of the Commission's communication on the promotion of youth employment.

The European Council stressed that the completion of the internal market must remain a priority aim and that work must continue on the removal of various forms of distortion of competition, including trade barriers in the form of differences between national standards, as well as in the services sector.

The European Council also underlined the urgent necessity to exert and reinforce action at national, Community and international level

aimed at combatting the pollution of the environment. In particular, it emphasised the importance of reducing the amount of lead in the environment and called for [REDACTED] progress towards the use of leadless petrol.