Qz.03186 MR COLES This is the earlier draft of the Declaration of the European Council, of which the Prime Minister wanted a copy. The contrast between the underlined text on page 2 and the final text is very marked. Df William-D F WILLIAMSON 23 June 1983

DECLARATION

adopted by the European Council in Stuttgart on 18 June 1983

Draft To.00
on 18/6

At a time when the European Community is faced with enormous social and economic challenges and preparing for a third enlargement ten years after the first accession, the European Council has decided to take broad action to ensure the relaunch of the European Community.

In the course of the coming six months a major negotiation will take place to tackle the most pressing problems facing the Community so as to provide a solid basis for the further dynamic development of the Community over the remainder of the present decade.

With regard to the importance, complexity and linkage of the problems, negotiations will be started under a special emergency procedure. For this purpose special Council meetings will take place at the level of Foreign Ministers and Finance Ministers; where necessary, other Ministers will also participate.

The result of the negotiation will be submitted to the European Council meeting in Athens on 6 December 1983.

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The Common Agricultural Policy

The basic principles of the Common Agricultural Policy and the objectives set forth in Article 39 of the Treaty establishing the EEC will be observed. The Common Agricultural Policy must be adapted to the situation facing the Community in the foreseeable future, so as to correspond to the aims of the Treaty.

Concrete steps will be taken to economize and control agricultural expenditure by making full use of all available possibilities and examining all market organizations.

The examination will in particular centre on:

- price policy,
- thresholds for guarantees,
- Co-responsibility of producers,
- Intervention arrangements,
- Arrangements on export refunds,
- Substitutes,
- Compensatory amounts,
- Aids and premium arrangements,
- Size of entreprises,
- binding financial guidelines.

All Member States must contribute to achieving the savings. In this context account must be taken of the special problems that can arise in disadvantaged regions, such as in the Mediterranean regions, in mountain areas or other regions at a disadvantage because of natural or economic features. Solutions will take appropriate account of the particular situations of the various categories of farmers.

Proposals will be submitted by the Commission by mid-September 1983 at the latest.

Other policies

The European Council is determined to encourage the development of Community policies particularly in the field of innovation and the new technologies.

On the basis of proposals by the Commission, decisions will be taken on new Community actions making use of the Community dimension to improve the international competitiveness of enterprises.

Negotiations on certain projects of an exemplary nature, e.g. the ESPRIT programme, should be concluded as soon as possible.

Expenditure must also be controlled outside the agricultural sector. The policies concerned are to be developed further within the bounds of financial feasibility and supplemented through new actions which must be incorporated in an economically suitable way into Community policies.

By mid-September 1983 the Commission will present a report with proposals for increasing the effectiveness of the use of funds. It will concentrate on a more consistent co-ordination of policies to avoid duplication of effort and expenditure and to achieve greater budgetary displine.

On the basis of this report, the policies in question will be reviewed and priorities determined on the basis of urgency and importance.

Sound financial management

The Court of Auditors of the European Community will be asked to review the sound financial management of Community activities and to submit a report by the end of 1983.

Enlargement

The accession negotiation with Spain and Portugal will be pursued with the objective of their conclusion by mid-1984. This will permit submission of the accession Treaties for ratification no later than the submission for ratification of the result of the negotiation concerning the future financing of the Community.