

# Foreign and Commonwealth Office London SW1A 2AH

30 November, 1984

Dear Charles,

# European Council: Checklist

As usual before a European Council we have prepared a checklist of things we want, things we could accept and things we could not accept at Dublin. I enclose a

We have also, in consultation with other Departments, drafted possible language for the draft conclusions on a number of subjects. I enclose a copy.

I am copying this letter and enclosures to David Williamson, Cabinet Office.

Yours ever, Colin Budd

(C R Budd) Private Secretary

C D Powell Esq 10 Downing Street

CONFIDENTIAL UK OBJECTIVES FOR DUBLIN EUROPEAN COUNCIL THINGS WE WANT AT DUBLIN 1. Enlargement General to unblock discussion on enlargement; to get European Council to reaffirm 1 January 1986 accession target. Specific agreement on internal reform of wine regime, by obligatory distillation of surplus table wine at dissuasive prices; agreement on an EC position on fisheries which does not undermine CFP by giving Spain early uncontrolled access; maintainance of a position on Spanish Industrial Tariffs which assures the UK twice our present level of reduced duty quota access for cars on accession, with progressive improvements thereafter, in the context of satisfactory arrangements for general tariff dismantling (this is unlikely to be the subject of detailed negotiations at the European Council since discussions are continuing with the Spaniards. We shall wish to emphasise the importance to us of a satisfactory solution in this chapter); while avoiding substantive discussion, to endorse a Community position on Spanish Agriculture; CONFIDENTIAL

# 2. Future of Europe

- agreement that work of the Dooge Committee should continue with a view to presenting an agreed report to Heads of Government in March. Our attitude will depend on the practical results that might be achieved.

#### 3. Internal Market

- a commitment to completion of the internal market, preferably with a timetable.
- endorsement of European standards initiative and work in further areas, in particular on advanced manufacturing technologies and open systems interconnections.
- progress report on the above by June 1985.

#### 4. New Commission

- agreement that there should be only one Commissioner per Member State after enlargement.

#### 5. Organisation of European Councils

- agreement to our suggestions for the work of the European Council, particularly that Conclusions on substantive issues should be agreed before issue.

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#### 6. Budget Issues

- Foreign Minister formally to adopt the conclusions on budget discipline on basis of the existing text, with a letter from the Presidency to the Parliament.

#### 7. IMPs

- reiteration of Brussels Conclusions
- to work with Germans, French, Dutch and Danes to reach agreement that IMPs should start in 1985, and should be funded from within the structural funds, at the lowest possible level.

# 8. Environment

- agreement on a Community regime avoiding any mandatory application of 3-way catalysts, permitting (but not requiring) their introduction in those Member States which want them (notably Germany) but only for cars of 2 litres or more.
- request to the 6 December Environment Council to reach final agreement on the details of introducing unleaded petrol by 1989.

#### THINGS WE COULD ACCEPT AT DUBLIN

# 1. Future of Europe

- some formalisation of PoCo, provided this did not further constrain our independence of action on important national interest.
- greater use of majority voting where the existing Treaty so provides, subject to maintenance of the Luxembourg Compromise.



- an examination of the relationship between the Council and the Parliament.

#### 2. Budget Issues

- Proposed Commission amendments to budget discipline text making provision for European Parliament's views to be heard before reference framework is set;
- Presidency Compromise, ie letter to the European Parliament undertaking to hear their views before reference framework is set;

[The question of the financing of the irreducible
1.3 billion ecu budget overrun in 1985 does not at present
look likely to arise. If it did, we could agree to
financing by bringing forward the new own resources; or by
an Inter-Governmental Agreement provided that simultaneous
provision was made in the new own resources decision for
the UK's 1000 mecu abatement; that expenditure financed
through the IGA was eligible for the Fontainebleau
abatement; and that the 1985 IGA was not reimbursable.]

#### 3. IMPs

- a limited amount of extra financing for IMPs (not more than 500 mecu in total over four or five years).
- this could include agreement in principle to specific provision for part of this sum to be alocated to IMPs within FEOGA Guidance provided:
  - this was contained within a new 5 year ceiling or equivalent arrangement;

#### 4. Environment

- general reference to the desirability of further reductions in both  ${\rm SO_2}$  and  ${\rm NO_x}$ .

# 1. Future of Europe

- any formalisation of PoCo arrangements which further constrained our independence of action on important national interest.
- any weakening of the present arrangement whereby it is left to the discretion of each Member State to decide where its very important national interests are at stake.
- any significant extension of the powers of the European Parliament.

# 2. Organisation of European Councils

- conclusions on substantive issues not previously cleared.

# 3. Budget Issues

- any attempt to reopen the substance of the text on budget discipline.
- any suggestion that the Council should acquiesce in the European Parliament's attempts to secure powers over revenue or to impose further expenditure side refunds on the UK contrary to the Fontainebleau conclusions.

#### 4. IMPs

- separate envelopes for IMPs in the Regional or Social Funds.

#### CONFIDENTIAL

- a commitment to IMPs for longer than 5 years.
- any provision which would permit Spain or Portugal to benefit from IMPs after enlargement.

# 5. Environment

- any endorsement of the draft Combustion Plant Directive in its present form.
- endorsement of catalytic converters on Community wide basis.

#### 6. CAP

- any weakening in the existing commitment to guarantee thresholds, restrictive CAP price policy and financial guideline for agriculture.
- any exemption from the provisions of the milk super-levy agreement.

EUROPEAN COUNCIL, DUBLIN, 3/4 DECEMBER 1984 POSSIBLE LANGUAGE FOR THE CONCLUSIONS (i) Future of Europe Ad Hoc Committee on Institutions 1. The European Council received an interim report on the work of the Ad Hoc Committee on Institutions under the chairmanship of Progessor Dooge. The Council asked the Committee to continue its work with a view to making an agreed report to the European Council in March. A People's Europe [Text agreed in the Committee] 2. The European Council has taken note of the interim report of the Ad Hoc Committee for A People's Europe. It underlined the importance, for the process of European construction, of having the firm support of citizens of the Community countries. It was pleased to note that the Committee has begun its work by choosing a number of priority areas for action and contacting, as appropriate, bodies representing opinion in Europe, in particular the European Parliament. The European Council has stressed the importance it attaches to being given, at its meeting in June 1985, realistic and important proposals, capable of improving the identity and the image of Europe. (ii) Budget Issues 3. The European Council takes note with satisfaction of the Council conclusions on the measures necessary to guarantee the effective application of budget discipline, adopted by the Foreign Affairs Council in implementation of the conclusions of the Brussels and Fontainebleau European Councils.



# (iii) Internal Market

4. The European Council, recognising the priority given under the Treaty of Rome to the establishment of a common market, calls on the Council to adopt, by the end of the decade, the measures necessary to fulfil the provisions of Article 3 of the Treaty.

#### (iv) Standards

- 5. The European Council welcomed recent progress on the European standards initiative, and asked that this be pursued as a matter of urgency. They also considered that there was a need for early progress in other areas, in particular on standards for telecommunications, open systems interconnection and advanced manufacturing technologies. The European Council asked for reports on the implementation of the Community standards initiative and on progress in related areas for its meeting in June 1985.
- (v) Transport [Text proposed by Netherlands which we can support]
- 6. The European Council recalls the declaration made at its meeting on 19/20th March 1984, underlining that before the end of the year specific time limits are to be set by the Council concerning harmonisation of conditions of competition and progressive liberalisation in the transport sector. The Council is invited to take a formal decision before the end of the year.

#### (vi) IMPs

7. The European Council, recalling the conclusions of its meeting in March 1984, agrees that Integrated Mediterranean Programmes will operate for four years and will be implemented starting in 1985, through concerted action of the

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ERDF, Social Fund and EAGGF Guidance Fund. In the case of the EAGGF Guidance Fund a new five year ceiling will be agreed taking account of the need to finance IMPs. The Council agreed that [IMPs should be financed from within the existing structural funds] [the total sums available for IMPs over the period should be 500 mecu] and that priority should be given to implementation of IMPs for Greece in the first instance.

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