

PRIME MINISTEREUROPEAN COUNCIL: BRIEFING MEETING

You dealt with the main points on the future of the Community at your meeting yesterday.

At tomorrow's briefing meeting you might take the following points:

(i) Economic and Social Situation There seems unlikely to be a very full discussion at this Council given the large number of other items. You might ask the Chancellor whether there are particular points you should make.

You will want to recall to the Council your deregulation initiative. You could ask M. Delors to report on the work in hand: and ask for a full discussion with conclusions at the December European Council.

Also under this heading you will want to raise Japan. The only realistic outcome from the European Council is reaffirmation of the statement already agreed by the Foreign Affairs Council on 19 June. But it would be useful to have the European Council endorse it before Mr. Nakasone's meeting with the Commission.

*Mr. Patten and* (ii) Technological Co-operation/Eureka You might invite Robin Nicholson to summarise the position reached and set out our objectives for the Council.

(iii) Terrorism/Hijacking Transport Ministers have invited the European Council to discuss this and you have said publicly that you will raise it. You might

invite Mr. Ridley to say what new ideas he has for you to put forward; and what we would regard as a useful outcome.

(iv) Political Co-operation You will want to ask the Foreign Secretary which issues are likely to require the Heads of Governments' attention. The Italians are keen on a statement on the Middle East: but in present circumstances it must surely refer to the hijacking. There may be pressure for a statement on Southern Africa, though we have all made our positions clear in the UN debates. The Italians may raise the Soviet Union's recently revived interest in an agreement between the EC & Comecon.

(v) Vehicle Emissions The tentative compromise agreed in March is coming apart. The Environment Council is meeting at present. If it fails to agree the issue may come to the European Council. You could invite Mr. Tebbit to set out the position.

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(C.D. POWELL)

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