

NOTE FOR THE RECORD

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Chancellor Kohl and the Foreign Secretary had a brief discussion in the margins of the European Council this afternoon. Chancellor Kohl said that he understood that our assessment was that Britain, France and Germany could all agree here and now at Milan on a new agreement on political cooperation, based on the two texts which had been circulated. Was this correct? He was prepared to agree to this. There would have to be some further work done in a short a timescale as possible followed by signature of the agreement. The Foreign Secretary confirmed that the Prime Minister shared this goal. A realistic target for signature would be the European Council at Luxembourg in December. Chancellor Kohl said that the Milan Council might agree to remit the two texts (the British and the Franco-German text) to Foreign Ministers to work on. The Foreign Secretary suggested that it would be more appropriate for political directors to undertake this. Chancellor Kohl seemed attached to Foreign Ministers being given the task, in name at least.

Chancellor Kohl went on to ask whether we could envisage at least some Treaty amendments on a limited number of points. The Foreign Secretary explained that we could not accept this and did not think it necessary. But there were a number of points on which we believed the Community's practice could be changed and improved. President Mitterrand had also identified a number of points. Chancellor Kohl asked whether, in that case, it would be possible to agree at Milan on a list of such points which again would be the subject of further work over the next few months and formally agreed at Luxembourg. The Foreign Secretary agreed that this was a good way to proceed.

Chancellor Kohl asked whether the Prime Minister would be prepared to put forward proposals on these two points. The Foreign Secretary said that he understood it was her intention to do so later in the afternoon although she would no doubt be equally content for the Chancellor to take the initiative. Chancellor Kohl appeared happy to leave it to the Prime Minister.

C.D.P.

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