

GRS 420

UNCLASSIFIED

FM LUXEMBOURG 031500Z JUL 85

TO PRIORITY F C O

TELEGRAM NUMBER 208 OF 3 JULY

INFO PRIORITY UKREP BRUSSELS, BONN, BRUSSELS, PARIS

INFO ROUTINE ALL OTHER EC POSTS, LISBON, MADRID

FRAME GENERAL

LUXEMBOURG PRIME MINISTER'S PRESS INTERVIEW : AFTER MILAN

SUMMARY

1. SANTER TOLD THE PRESS TODAY THAT LUXEMBOURG WILL BE TAKING SOUNDINGS IN PREPERATION FOR THE IGC, WHICH SHOULD FINISH ITS WORK BY OCTOBER. HE WOULD LIKE TO SEE USE OF THE VETO HAVING TO BE JUSTIFIED TO THE EUROPEAN COUNCIL. LUXEMBOURG WOULD USE ITS VETO ON TAX HARMONISATION.

DETAIL

2. IN AN INTERVIEW WITH THE LUXEMBOURG WORT (CATHOLIC DAILY) PUBLISHED TODAY, THE PRIME MINISTER SAID THAT HE WAS NOT PESSIMISTIC ABOUT THE MILAN SUMMIT. THE DECISION TO USE ARTICLE 236 WAS UNIQUE AND PERHAPS HISTORIC. THE SIX FOUNDER MEMBERS PLUS IRELAND HAD GIVEN AN IMPULSE TOWARDS THE FURTHER DEVELOPMENT OF THE EC INTO A POLITICAL UNION. THIS SUMMIT HAD AVOIDED GETTING INVOLVED IN THE USUAL DETAILED QUESTIONS. IT WAS NOW UP TO THE PRESIDENCY TO TAKE SOUNDINGS FOR A BASIS FOR AGREEMENT AT THE IGC. LUXEMBOURG WOULD TRY TO AVOID A SPLIT AND TO FIND THE WIDEST POSSIBLE CONSENSUS ON THE IMPORTANT QUESTIONS. ALL WERE AGREED THAT THE DECISION MAKING PROCESS MUST BE SIMPLIFIED AND THAT GENERALLY THERE SHOULD BE A RETURN TO MAJORITY DECISIONS. OPINIONS DIFFERED OVER HOW A STATE'S VITAL INTERESTS COULD BE PUT FORWARD. SANTER HIMSELF THOUGHT IT MUST BE POSSIBLE TO FIND A FORMULA WHICH WOULD COMBINE MAJORITY DECISION TAKING WITH THE DEFENCE OF THE LEGITIMATE INTERESTS OF A MINORITY. LUXEMBOURG HAD PROPOSED THAT A VETO SHOULD HAVE TO BE DEFENDED IN THE EUROPEAN COUNCIL.

3. ASKED ON WHICH SUBJECTS LUXEMBOURG WOULD USE ITS VETO, SANTER SAID "IN THE CASE OF HARMONISATION OF TAXES ON EXPENDITURE. WE CANNOT ALLOW OUR FINANCIAL MARKET TO BE DESTROYED".

EUREKA

4. SANTER SAID THAT HE EXPECTED A TECHNOLOGICAL COMMUNITY TO BE ESTABLISHED ON THE BASIS OF THE PROPOSALS TO BE MADE BY THE AD HOC COMMISSION WHICH IS TO CONVENE BEFORE 14 JULY. THERE MUST BE AN EC DIMENSION. THE SMALL STATES, EVEN THOUGH NOT PARTICIPATING DIRECTLY IN PARTICULAR PROJECTS, MUST BE ABLE TO SHARE IN THE RESULTS.

1/AM

AIMS OF THE PRESIDENCY

5. LUXEMBOURG WILL STRIVE TO CARRY OUT THE DECISIONS AND GUIDELINES OF MILAN, IE. COMPLETION OF THE INTERNAL MARKET, INCLUDING THE FREE PASSAGE OF GOODS, A FREE MARKET FOR FINANCIAL SERVICES AND GOODS TRANSPORT, FREEDOM OF ESTABLISHMENTS FOR VARIOUS PROFESSIONS, LIBERALISATION OF TRANSPORT, CREATION OF A CITIZENS' EUROPE, AND THE FURTHER DEVELOPMENT OF THE EMS. THE PRESIDENCY WILL WORK TO ENSURE THAT THE IGC FINISHES ITS WORK BY OCTOBER IF POSSIBLE SO THAT THE LUXEMBOURG COUNCIL CAN TAKE THE NECESSARY DECISIONS. MUCH INTENSIVE BILATERAL AND MULTILATERAL CONTACT WILL BE NEEDED BEFOREHAND. THERE WILL ALSO BE MUCH WORK IN POCO INCLUDING A MEETING IN LUXEMBOURG WITH THE CONTADORA GROUP IN THE AUTUMN.

6. TEXT IN GERMAN FOLLOWS BY BAG TO ECD(1).

MILES

FRAME GENERAL

ECDC.

THIS TELEGRAM  
WAS NOT  
ADVANCED

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