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*Belgian*

BELGIUM AND THE MADRID EUROPEAN COUNCIL

SUMMARY

1. BELGIANS WISH TO AVOID CONFRONTATION THOUGH LITTLE SYMPATHY FOR UK VIEWS ON EMU OR SOCIAL CHARTER. LOOKING FOR LARGELY PROCEDURAL CONCLUSIONS ON EMU AND SOCIAL DIMENSION: NO NEED FOR EARLY IGC.

DETAIL

2. BELGIUM IS MOST UNLIKELY TO JOIN RANKS OF THOSE SEEKING A SHOWDOWN OR TO FORCE THE PACE AT MADRID. PRIME MINISTER MARTENS WITH AN EP ELECTORAL SUCCESS UNDER HIS BELT WILL HAVE NO WISH NOR NEED TO GRANDSTAND. AN INTERVIEW GIVEN TO LE SOIR ON 20 JUNE BY THE NEW FOREIGN MINISTER EYSKENS IN WHICH HE CALLED ON BRITAIN TO CLARIFY ITS INTENTIONS ON EMU AND SPOKE OF THE NEED FOR ITS EC PARTNERS TO HELP THE UK COMPLETE ITS INTEGRATION INTO EUROPE REPRESENTED SIMPLY UNCONSIDERED PERSONAL OPINIONS ON HIS FIRST DAY IN OFFICE. IT SHOULD NOT BE REGARDED AS A SERIOUS POLICY STATEMENT.

EMU

3. THE BELGIAN GOVERNMENT CONTINUES TO SUPPORT WHOLEHEARTEDLY THE PRINCIPLE OF EMU AND WOULD LIKE TO SEE AT MADRID ITS GENERAL ACCEPTANCE AS A LONG TERM OBJECTIVE. BUT DESPITE THE ARGUMENTS OF GODEAUX, THE GOVERNOR OF THE CENTRAL BANK, WHO TRIED TO CONVINC ME A FEW DAYS AGO THAT PARA 39 OF THE DELORS REPORT WAS HARMLESS, IN THAT IT CALLED ONLY FOR A DECISION TO BEGIN THE WHOLE PROCESS - AND NOT NECESSARILY TO COMPLETE IT, THE MFA IS CAUTIOUS. IT IS FIRMLY OPPOSED TO ANY TALK OF A SHOWDOWN ON EMU OR OF A TWO SPEED EUROPE. WILLEMS (DIRECTOR FOR EUROPE) ACKNOWLEDGES THAT THE UK IS NOT ALONE IN ITS RESERVATIONS ABOUT THE DELORS REPORT AND THAT THERE IS DISAGREEMENT EVEN WITHIN BENELUX. THE BELGIANS WILL LOOK AT MADRID FOR PRAGMATIC STEPS TO HELP MAINTAIN THE GENERAL MOMENTUM AND TO BUILD ON THE S'AGARO CONCLUSIONS. THEY BELIEVE THAT IT IS TOO EARLY TO DISCUSS THE DATES - OR EVEN

THE PRINCIPLE - OF AN IGC, AND PROPOSE THAT THE COUNCIL SHOULD ASK THE COMMISSION TO PRODUCE A PAPER EXAMINING THE REQUIREMENTS FOR AN EVENTUAL IGC, WHICH COULD BE PRESENTED TO THE PARIS SUMMIT IN DECEMBER.

#### SOCIAL CHARTER

4. THE SOCIAL DEBATE IS SEEN AS MUCH MORE DIFFICULT FOR THE PRESIDENCY. THE BELGIAN POSITION HAS NOT CHANGED SINCE THE 12 JUNE SOCIAL AFFAIRS COUNCIL. THE BELGIANS SEE UK FEARS OF SIGNING A BLANK CHEQUE AS WITHOUT FOUNDATION. THEIR APPROACH DERIVES FROM THEIR OWN BACKGROUND OF HARMONIOUS UNION/EMPLOYER RELATIONS OPERATED THROUGH A TIGHT NETWORK OF COMMITTEES TO GIVE EFFECT TO A HIGHLY REGULATED SOCIAL SECTOR. THE UK'S CASE AGAINST BLANKET HARMONISATION IS ACCEPTED EVEN IF NOT FULLY UNDERSTOOD. IN ANY CASE, THE MFA REGARD THE CURRENT DRAFT CONCLUSIONS AS VERY IMPERFECT AND DO NOT EXPECT ANY DECISION AT MADRID. THEY WOULD BE CONTENT FOR THE EUROPEAN COUNCIL TO SEND THE CHARTER BACK TO THE COMMISSION FOR REDRAFTING.

#### DEBT

5. ON DEBT, THE BELGIANS AGREE THAT THERE IS NO NEED FOR AN EC INITIATIVE. WILLEMS SAID HE REGARDED THE PROPOSED SPANISH INITIATIVE FOR AN EC FUND TO ASSIST COMMERCIAL BANK REDUCTION SCHEMES IN MIDDLE INCOME DEBTOR COUNTRIES AS HAVING BEEN EFFECTIVELY KILLED OFF AT THE 19 JUNE ECOFIN.

#### EUROPEAN ENVIRONMENT AGENCY

6. WILLEMS SAID THAT BELGIUM IS AMBIVALENT ABOUT THE PROPOSED EUROPEAN ENVIRONMENT AGENCY. THEY SHARE UK CONCERNS ABOUT EXPENSE AND POTENTIAL DUPLICATION OF WORK: A NEW AGENCY SHOULD NOT BE USED TO SUPPLEMENT THE WORK OF AN UNDERSTAFFED DG XI. BUT THEY DO SEE SOME SCOPE FOR A JOINT ENVIRONMENTAL RESEARCH BODY WHICH COULD SUPPLY THE NECESSARY SCIENTIFIC DATA FOR COMMISSION PROPOSALS AND COORDINATE THE EXCHANGE OF INFORMATION BETWEEN MEMBER STATES.

#### FRONTIERS

7. ON FRONTIERS, THE BELGIANS WOULD BE HAPPY TO SEE THE COORDINATORS' REPORT ENDORSED BY THE COUNCIL. THEY WOULD LIKE THE COORDINATORS TO PLAY A MORE ACTIVE ROLE IN STIMULATING PROGRESS TOWARDS FRONTIER ABOLITION. THEY REMAIN UNSHAKEN IN THEIR COMMITMENT TO THE GOAL OF A COMMON TRAVEL AREA.