

PRIME MINISTER

cc Mr Powell

EUROPEAN DEMOCRATIC GROUP

You may have seen the attached cutting from the Sunday Telegraph reporting an EDG policy document on European Union. I have established that it refers to a resolution passed by almost the entire Group just before Christmas on institutional reform. This I attach.

The resolution demonstrates the gulf between the Government and the EDG on this issue. The intention is that Wednesday's meeting should concentrate on less contentious issues such as Eastern Europe, but I fear the question of the powers of the Parliament is unavoidable.

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2

JOHN WHITTINGDALE

22nd January, 1990

Euro-MPs in Thatcher rift

by Julia Langdon
Political Editor

THE EXTENT and depth of the division on the future of Europe between the Government and Conservative Members of the European Parliament in Strasbourg is revealed by a secret policy document produced by the MEPs which gives whole-hearted and enthusiastic support to full European union.

The disclosure of the views of the European Democratic Group to *The Sunday Telegraph*, shortly before its meeting with Mrs Thatcher at Number 10 on Wednesday, will embarrass both sides.

The Prime Minister is likely to be horrified by the policy agreed by her MEPs which runs directly counter to her own approach. The European MPs, who want to improve relations with the Government and are meeting Mrs Thatcher at their request, seem instead to be heading for another direct confrontation.

The document was agreed last month with the overwhelming support of the 32 Tory MEPs and calls for the momentum towards European union to be stepped up. It says: "Further steps are needed and should be planned immediately and put into practice at the earliest possible date."

It includes among the fundamental principles on which this should be built "the primacy of Community law over national law", which Mrs Thatcher has consistently opposed, and proposes a series of measures to strengthen the role of the European Parliament at the expense of Westminster.

It recognises that there would be no way of moving towards European union "in face of outright opposition from member states' governments" but suggests that it would therefore be desirable for the parliament itself to be charged with responsibility to plan the necessary changes.

On the most controversial issue, European monetary

union, the document says that it is essential that moves towards this should be accompanied by strengthening the institutions of the EEC "if the indispensable convergence of the member states' economic policies is to be achieved".

The contents of the paper were described yesterday by one senior figure involved as "our thinking on where Europe is going". It was produced by the European Democratic Group in advance of a debate in the European Parliament, and several sources tried to play down its relevance to this week's meeting with the Prime Minister. It was also stressed that there was nothing rebellious in the document because it was based on treaties which Britain has already signed.

There is considerable anxiety within the group about Wednesday's meeting because of fears that the Conservative Party is becoming increasingly isolated in the European Parliament. At present it has only two Danish Conservatives as other members of the group, and is unable to exert any influence in Strasbourg.

"The Conservative Party is making no connections in Europe. It has no partnerships, it is building no bridges and it doesn't know where it's going," one insider said. It appears, however, that the Prime Minister has no worries about her own position. Her view is that she "has no bridges to build".

● Mrs Thatcher discussed developments in Eastern Europe with President Mitterrand over a working lunch at the Elysée Palace yesterday, when the French President reported on his visit to Hungary last week.

A Whitehall source declined to say whether they discussed the call by West German Chancellor Helmut Kohl and European Commission president Jacques Delors for East Germany to be given full membership of the E.C.

£15 billion bill P14



European Democratic Group

*Institutional Policy
Resolution*

Adopted at the Group Meeting of 14 December 1989

INSTITUTIONAL POLICY RESOLUTION

The European Democratic Group

- A. Whereas the Heads of State or Government of the Member States committed themselves to European Union at the Conference of Heads of State or Government held in Paris in October 1972;
- B. Noting and approving the definition of European Union set out in the Tindemans Report of 1975, and the detailed definition contained in Parts I and II of the Draft Treaty of European Union of February 1984;
- C. Desirous of improving democratic control by a system of co-decision between Parliament and Council, and increasing the efficiency and effectiveness of the Community - and notably the Council and the Parliament - in carrying out their tasks;
 1. Reaffirms its full commitment to European Union, and recalls that it was endorsed by the Governments of the Member States in the Solemn Declaration on European Union signed in Stuttgart in June 1983, and in the Single European Act of February 1986;
 2. Considers that the momentum towards European Union should be stepped up, and that to this end further steps are needed and should be planned immediately and put into practice at the earliest possible date;
 3. Wishes to build European Union on the following fundamental principles:
 - a) Subsidiarity
 - b) The system of conferred powers
 - c) The unlimited duration of the Union
 - d) The primacy of Community law over national law
 - e) Balance of power between the Institutions
 - f) Democratic supervision of powers ensuring the representative, democratic and constitutional nature of the Union
 - g) The open-ended nature of the Union

4. Recognizes that there would be no way of moving towards European Union in face of outright opposition from the Member States' governments, and considers it desirable that the governments themselves entrust the European Parliament with the task of producing a plan for European Union;
5. Considers that the basis for this task should consist of: the 'acquis communautaire' ; the Parliament's Draft Treaty of European Union ; the Single European Act and the experience of operating it; the views of the national parliaments; and the need for effective functioning of a single market;
6. Regards it as essential that the Community move speedily towards a democratic system of co-decision between the Council and Parliament through adoption of the following steps :
 - a) Extension of the cooperation procedure to all legislation
 - b) Improvement of the cooperation procedure
 - c) Improvement and extension of the conciliation procedure
 - d) Institution of continuous effective cooperation with national parliaments through the creation of joint channels for exchange of views
 - e) Reinforcement of the Parliament's budgetary role
 - f) Granting to Parliament of a right of appeal to the Court of Justice against Council decisions which it believes to be ultra vires.
7. Wishes the Commission to examine own-initiative reports adopted by the Parliament and to give its reasons if it is not prepared to take them up;
8. Views with deep misgiving any reduction of the Commission's executive and implementing role, through the creation of committees of national civil servants to supervise this role, and insists that any such committees set up should have advisory powers only and not regulatory powers;
9. Regards it as essential that speedy decision-taking in the Council be maintained through continued use of majority voting as the general rule, and continued use of the system whereby any Member State can call for a formal vote, and therefore that the Parliament should monitor the speed and efficiency of Council decision-taking in this light, particularly after the completion of the single market;

10. Considers that Council meetings should be held in public when the Council is acting in its legislative or budgetary roles;
11. Wishes to see all possible steps taken to ensure the efficiency and effectiveness of the Parliament, notably :
 - a) rapid transfer of its officials from Luxembourg to Brussels
 - b) the organization, additionally to plenary sessions held in Strasbourg, of two full weeks of part-sessions each month in Brussels, at which committee meetings and political group meetings would be held in the mornings and plenary sessions in the afternoon
 - c) should the governments of the Member States continue to fail to carry out their obligation to designate the seat of the Institutions, the automatic transfer of this power to the Parliament
 - d) improvement of the Parliament's own procedures by regular recourse to specialized experts in technical and scientific matters
 - e) extension of accountability and efficiency by incorporating the secretariat of European Political Cooperation in the Community's institutional structures, and the work of the Trevi Group in European Political Cooperation
 - f) a provision for all delegated legislation to "lie on the table" for two weeks after publication to enable Parliament to examine it and give a full report if so wishes
12. Fully supports the Parliament's wish to take part in the Intergovernmental Conference decided on at the Madrid Summit;
13. Rejects the idea of a two-speed Europe, whilst accepting that certain projects or activities may be undertaken under Community auspices without all Member States participating, at least in the initial stage, and recognizing that, in the long run, it would not be acceptable for the aspirations of a massive majority to be blocked permanently by a small minority and that means would eventually be found to implement the wishes of the majority;

14. Considers it essential that moves to European Monetary Union should be accompanied by a strengthening of the Community's institutional structures if the indispensable convergence of the Member States' economic policies is to be achieved;
15. Believes that the President of the Commission should be designated by the Parliament from a list of three names submitted by the governments of the Member States and that the President should choose his Commission members from names submitted by the European Council;
16. Considers that any European country which is a pluralistic democracy and which has signed and ratified the European Convention on Human Rights is eligible for membership of the Community; but believes that admission of new members must be accompanied by the consolidation and democratisation of the community's institutional structures necessary to ensure efficient decision taking procedures.
17. Reiterates its insistence on the overriding importance of Europe's diversity, and hence of maintaining national, regional and local identity and diversity of culture and language.