### PRIME MINISTER

## MEETING WITH THE EDG

You are seeing the Conservative Members of the European Parliament at 5.00pm tomorrow for an hour. As well as 28 MEPs [FLAG A], there will also be present the Foreign Secretary, Party Chairman and Chief Whip. You have received letters of apology from Lord Plumb, Anne McIntosh MEP and Lord Inglewood MEP. Brian Griffiths, Charles Powell, Mark Lennox-Boyd and I will sit in. Edward Llewellyn from the Research Department will also be an observer. The meeting will be in the Pillared Room.

The EDG would like a photograph taken with you and it would be easiest to get this over with first. Harvey Thomas will be in attendance to supervise this.

Christopher Prout has prepared an agenda for the meeting which I attach [FLAG B]. The four main subject areas are Eastern Europe, the Single Market Economic and Monetary Union (and institutional reform), and co-operation with other Parties in Strasbourg and the Party at home. It is our hope that discussion of the first two subjects will occupy much of the meeting, leaving little time for more contentious issues.

 Eastern Europe: the EDG have recently visited Berlin and had meetings with one of the East German opposition groups, Democratic Awakening. They also tabled a motion in the Parliament to set up a European Democracy Fund to assist the establishment of democracy in Eastern Europe but this was blocked by the Socialists. Discussion on both these areas would be useful - the Chairman will be able to speak on what is being done through the EDU.

- The Single Market: Nicholas Ridley is unable to attend as he is in America. However, Douglas Hurd should be able to answer detailed points. Again, this should be a constructive discussion
- 3. EMU and Institutional Reform: By far the most difficult area. Christopher Prout has sent you a letter on what our MEPs actually mean when they talk about federalism, integration etc [FLAG C] as he believes that unnecessary tension is often created because we have different concepts of what these words mean. But there is no doubt there is a considerable divergence between the EDG and the Government, particularly on institutional reform. Christopher suggests that one possible compromise would be to agree a mechanism for further discussion of the question of EMU between the EDG and the Government, possibly through meetings between relevant Ministers and MEPs.
- 4. Co-operation and Co-ordination: Francis Maude and Edward Llewellyn have [FLAGS D & E] both produced useful notes on the progress which has been made on improving liaison between the Group and the Government. Amedee Turner has supplied a note [FLAG F] on the current state of negotiations between the EDG and the European People's Party on possible membership.

Overall, I believe that there <u>is</u> a lot of goodwill on both sides. If we can keep off the most dangerous areas, there is no reason why it should not be a positive meeting which will help to repair relations. Christopher has got the Group to agree that he should act as spokesman after the meeting. This will not prevent one or two talking to the press but I am sure the majority do want it to be a success. However, the Press will be keen to exploit any sign of division.

On handling the press, Christopher and I are meeting tomorrow morning to agree a statement which he will issue afterwards. There will be a large number from the media in the street and we have agreed he and Douglas Hurd will both go out to speak to them. Both will also be giving interviews later. The Chairman is not intending to give interviews.

HW

JOHN WHITTINGDALE 23rd January, 1990

# LIST OF THOSE ATTENDING MEETING WITH THE PRIME MINISTER WEDNESDAY 24TH JANUARY 1990 at 5.00pm

# MEPs

Sir Christopher PROUT

Mr Christopher BEAZLEY

Mr Peter BEAZLEY

Lord BETHELL

Mr Bryan CASSIDY

Sir Fred CATHERWOOD

Mrs Margaret DALY

The Hon James ELLES

Dr Caroline JACKSON

Mr Christopher JACKSON

Mr Edward KELLETT-BOWMAN -

Mr Edward McMILLAN-SCOTT

Mr James MOORHOUSE

Mr Bill NEWTON DUNN

Lord O'HAGAN

Mr Ben PATTERSON

Mr Derek PRAG

Mr Peter PRICE

Miss Patricia RAWLINGS \_\_

Sir James SCOTT-HOPKINS

Mr Madron SELIGMAN

Mr Richard SIMMONDS

Mr Anthony SIMPSON

Mr Tom SPENCER

Mr John STEVENS

Sir Jack STEWART-CLARK

Mr Amedee TURNER

Mr Michael WELSH

Mr Harold ROHMER - Secretary General of the EDG

Mr Edward LLEWELLYN. Conservative Research Department.

#### EUROPEAN DEMOCRATIC GROUP

#### MEETING WITH THE PRIME MINISTER - WEDNESDAY, 24TH JANUARY 1990

Sir Christopher PROUT

Mr. Christopher BEAZLEY

Mr. Peter BEAZLEY

Lord BETHELL

Mr. Bryan CASSIDY

Sir Fred CATHERWOOD

Mrs. Margaret DALY

The Hon. James ELLES

Dr. Caroline JACKSON

Mr. Christopher JACKSON

Mr. Edward KELLETT-BOWMAN

Mr. Edward McMILLAN-SCOTT

Mr. James MOORHOUSE

Mr. Bill NEWTON DUNN

Lord O'HAGAN

Mr. Ben PATTERSON

Mr. Derek PRAG

Mr. Peter PRICE

Miss Patricia RAWLINGS

Sir James SCOTT-HOPKINS

Mr. Madron SELIGMAN

Mr. Richard SIMMONDS

Mr. Anthony SIMPSON

Mr. Tom SPENCER

Mr. John STEVENS

Sir Jack STEWART-CLARK

Mr. Amedee TURNER

Mr. Michael WELSH

Hard of Lawelyn Aveign Sea Clip Whip Chairman,

#### SUGGESTED AGENDA

#### I. General Introduction (Prout)

#### II. Eastern Europe

1. Introduction (Newton Dunn)

#### Suggested supplementaries if required:

- Commentary on the Views of Bush, Baker, Mitterand, Kohl, Delors (Bethell)
- Assistance to Politicians in East Europe (McMillan-Scott)
- 4. EBRD (Moorhouse)
- Association and Co-operation Agreements (Moorhouse)
- 6. Opportunities for British Business (Peter Beazley)

# III. Progress and Outstanding Areas of difficulty in the Single Market

1. Introduction (Cassidy)

#### Suggested supplementaries if required:

- 2. Agriculture and the Single Market (Spencer)
- 3. Liberalization of Services (Price)
- VAT (Patterson)
- Transport (McMillan-Scott)
- Implementation (Prout)
- Enforcement (Caroline Jackson)

#### IV. Economic and Monetary Union

Introduction (Patterson)

#### Suggested supplementaries if required:

- Completing Stage I (Catherwood)
- Irrevocably Fixed Exchange Rates (Patterson)
- 4. Independent Central Bank (Stevens)
- Democratic Accountability (Patterson)

#### V. Co-operation and Co-ordination

1. Introduction (Prout)

#### Suggested supplementaries if required:

- 2. With Continental Parties (Turner)
- With Central Office (Christopher Jackson)
- 4. With Westminster (Scott-Hopkins)
- 5. With Whitehall (Prout)

Conservative and Unionist Party, GB Det konservative folkeparti, DK

23rd January 1990



EUROPEAN PARLIAMENT
EUROPEAN DEMOCRATIC GROUP

Chairman

The Rt.Hon. Margaret Thatcher MP Prime Minister 10 Downing Street London SW1

97-113, rue Belliard 1040 Brussels Tel. (02) 234 21 11 Fax. 231 11 83

Dea Pome Minister.

I thought it might be helpful to you, in advance of our meeting tomorrow, to set out a few points. At least some of the so-called "differences" between the Government and the Group are, in my view, attributable to the use of words to mean different things - words like federalism, parliament, sovereignty, integration and so on. It may be of some use to you if I jot down a few thoughts on the interpretation that the "average" member of the Group would place upon these words so as to provide you with a kind of glossary for our meeting.

#### Federalism:

By incorporating the terms of the Treaty of Rome and the Single European Act into United Kingdom law, and giving the last word on interpreting directives and regulations made under them to the European Court of Justice, we have already introduced a federal ingredient into our constitutional arrangements. Aside from its extremely limited executive role in the fields of competition, anti-dumping and commercial policy, the Commission has been granted no executive powers by either Treaty; its role is almost entirely limited to that of a kind of international director of public prosecutions, initiating infraction proceedings under Article 169.

In Britain the word federalism is used to mean centralisation whereas on the continent it is used to mean decentralisation! Indeed, many continental politicians, especially in Germany, use the words federalism and subsidiarity interchangeably and I note, with interest, that Victoria Curzon Price uses the word federalism, in that sense, in her excellent IEA study on the Single European Market.

I don't think anyone in the Group regards federalism, in the sense of a federal government for the European Community, as being remotely on the agenda. And very few would say that they wish it to be on the agenda. Additions to the executive power of the Commission should only take place if the doctrine of subsidiarity so suggests.

#### Integration:

The word integration is also used freely in the British media to mean centralisation, although I know from a recent conversation with you that you do not take this view. Indeed, as you yourself emphasized at the time of the controversy over President Bush's remarks, the Single European Act is a classic example of integration and deregulation marching hand in hand. Each one of the 280 individual measures involves the minimum amount of harmonisation and the maximum amount of deregulation. They become part of our national law enforced by our own Courts in fact, a deregulated European economy administered by the courts under the rule of law.

#### Sovereignty:

It is my experience that the word sovereignty is capable of creating more confusion than all the other words put together. It can be used in, at least, three senses: as a straightforward expression of economic, political or military muscle; as an expression of the constitutional authority of a system of government according to its national law; and as an expression of the independence of a nation state in relation to other nation states in public international law. To try to maintain these important distinctions in the rough and tumble of Parliamentary debate or exchanges in the media is virtually impossible. However, I would like to make one or two observations.

When it is said that we are losing our sovereignty because, say, movements in our interest rates are more or less determined by movements in Germany's interest rates, that is a statement about a nation's economic muscle and has nothing whatsoever to do with sovereignty in the constitutional or public international law sense.

In the last resort the constitutional sovereignty of Westminster can never be compromised because of the doctrine that no Parliament can bind its successor. Consequently, Westminster remains free to repeal both the European Communities Act 1972 and the Single European Act 1986.

Moreover, as a member of the European Community, it is not possible to say that Westminster has made either a net loss or a net gain of constitutional sovereignty. A directive, for example, both limits the power of the United Kingdom government to act in a certain way and expands it. We can prevent other governments from doing things prohibited by European law on their territory, which are damaging to us, by requiring the Commission to begin infraction proceedings in the European Court of Justice. I recall your making this point in Edgmond Village Hall, during the election, with respect to France's refusal to import Bluebird cars from Sunderland.

As far as the public international law aspect is concerned all treaties, of course, limit by agreement the independence of signatory nation states.

#### European Parliament:

As you yourself have pointed out on a number of occasions, Westminster is a unique Parliament. Its power is not limited by a written constitution nor shared with any other political institution - quite unlike the other 11 national parliaments in the European Community which are all creatures of written constitutions based on the doctrine of the separation of powers. As you know, the institutions of the European Community, broadly speaking, follow the continental pattern. Political authority in the European Community, therefore, is both limited by a written constitution and shared between no less than four institutions. The European Parliament is, clearly, a completely different animal from Westminster.

#### Democratic Deficit:

In settling the terms of reference for the intergovernmental conference, it is important to include, as the Strasbourg European Council underlined, a thorough review of the capacity of the individual national parliaments to enhance the democratic accountability of the Community institutions. However, even given the present situation it would not be true to say that perfecting scrutiny procedures within the 12 national parliaments would make it unnecessary to improve the powers of scrutiny of the European Parliament. For, by incorporating the terms of the Treaty of Rome and ofthe Single European Act into their national legal systems, the national parliaments have voluntarily and freely placed the behaviour of the European Commission as an executive authority, and the behaviour of the Council of Ministers when it votes by qualified majority, in certain important respects, beyond their reach. Irrespective of any further institutional innovations, therefore, ways must be found of improving democratic accountability. It is not a question of increasing the powers of the European Parliament at the expense of national parliaments; it is a question of the work of the European Parliament complementing the work of national parliaments so as to make the system of scrutiny watertight.

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Lyour ever,

CHRISTOPHER PROUT

Pothical ? From: Francis Maude Date: 22 January 1990 Prime Minister MEETING WITH EUROPEAN DEMOCRATIC GROUP ON 24 JANUARY 1. Your office asked for some thoughts about this meeting. Although he did not see this before leaving for the GDR, the Foreign Secretary discussed this with me. It seems to us very important that it should be seen to be a successful meeting, with common ground being established. Probably a majority of the EDG will share the desire for the meeting to be seen to be successful, but there will undoubtedly be some who want to stress the areas of disagreement. The Group still harbours some ill feeling from the election campaign in June, although this has diminished with the passage of time. 2. There are a number of positive developments and prospects on which we could fruitfully concentrate discussion. - You could draw attention to the several initiatives we have taken since the summer to improve the contacts between the EDG and the Government, and to establish better consultation. I attach a note which sets these out. These have been warmly welcomed by the EDG, and we attach particular importance to close and regular liaison by Departmental Ministers with the MEP's who particularly follow their areas of responsibility.

- You could point to the reassertion at the Strasbourg summit of the top priority attaching to the completion of the Single Market; and say that with the enhanced role given to the Parliament by the Single European Act in respect of Single Market measures, it is doubly important that the EDG and Ministers work closely together to safeguard vital British interests.

- You could draw attention to the increased interest of the Commission in implementation of Community legislation, up till now especially in the Single Market field. But generally our record of implementation and compliance is very good on agriculture, the environment, and social directives. There is a very positive role for the European Parliament in directing attention on those national governments whose record is poor. This would have the additional substantial benefit of making those governments less ready to agree to proposals on the assumption that they need not implement them. The Parliament could usefully encourage the Commission to take a tougher stance on this.
- You could suggest that the Parliament build on the useful work it has already done to combat fraud. Peter Price is working to strengthen the Budgetary Control Committee, which might operate more along the lines of our own Public Accounts Committee.
- 3. For those who seek common ground, these will be seen as positive and helpful suggestions. But there will be some who will be interested only in exposing disagreements. Some will harp on the Social Charter, where you could urge them to

scrutinise very carefully all directives in the Social Action Programme to assess their impact on business costs, and hence on employment. In areas such as health and safety at work, we will continue with our positive approach. Others will raise economic and monetary union, where you could emphasise that our own evolutionary approach could well lead to progress as fast as that prescribed by Delors, but built more robustly, working as it does with the grain of a liberal market approach, and without surrendering further national powers. Allied to EMU will be concern about the prospects for treaty changes to enhance the role of the European Parliament. You could refer to the substantial changes already made by the Single European Act, and the need to allow those reforms time to be consolidated. You could also refer to the Strasbourg Conclusions, which unanimously emphasised the importance of national parliaments, and you could refer to our own consideration of steps to enhance our own domestic scrutiny procedures.

A Jade.

MA

Francis Maude

The following arrangements for improved co-ordination and consultation have been set in hand:

- i) Francis Maude will hold monthly meetings with Sir Christopher Prout to review events on the Community front, and to discuss strategy and tactics and prospects; these will normally take place just before the plenary sessions of the European Parliament. The meetings will be attended by up to four or five each side, including John Taylor MP (the Westminster Whip with responsibility for liaison with the EDG), FCO Special Advisers and, where appropriate, by a Minister from another government department.
- ii) Briefing for MEPs is being improved. Written briefs are now being produced <u>automatically</u> when Explanatory Memoranda are prepared. Mr Maude has asked ministerial colleagues with Community responsibilities to set up arrangements for more targetted briefing, eg when the EP is considering amendments to legislation under the co-operation procedure and where there are particular UK interests involved. The key is to provide <u>usable</u> briefing which would enable EDG spokesmen to put our case across effectively in the EP.
- iii) Mr Maude has asked ministerial colleagues to establish close contact with their counterparts among MEPs, and with UK members of EP Committees. Mr Maude has circulated to colleagues details of the EP Committees which are relevant to their portfolios, along with the names of the UK members.

  There is clear scope for improvement in this area. Government

Ministers and the EDG should routinely discuss how their combined efforts can help put Britain's case across more effectively.

- iv) Mr Maude is urging colleagues to take the time to visit
  Strasbourg. (Britain's record in this respect already
  compares favourably with that of other member states).

  A Minister with EC responsibilities is now making a one-day
  visit to Strasbourg each plenary week. Mr Maude's office will
  co-ordinate this as necessary.
- v) The first of a number of "open days" for MEPs was hosted by Mr Maude at FCO last week; these are expected to continue on a six-monthly basis. The first open day, on 8 January, was by common consent highly successful. It brought together ten Ministers with European portfolios; and was well-attended by the EDG. It is proposed that this should be repeated twice a year.

# CONSERVATIVE, RESEARCH DEPARTMENT

#### 32 SMITH SQUARE . SWI

#### MEMORANDUM

	To The Chairman
From Edward Llewellyn	22nd January 1990

# CONFIDENTIAL

### PRIME MINISTER'S MEETING WITH THE EDG

I thought the following points might be useful in advance of Wednesday's meeting.

#### 1. EASTERN EUROPE

- The EDG held its Group meeting in Berlin from 9th 12th January. The Group met representatives of one the East German opposition groups, Democratic Awakening.
- Tom Spencer, Edward McMillan-Scott and John Stevens were present at the Conservative Council on Eastern Europe's conference in Prague on 13th/14th January. Christopher Jackson, Madron Seligman and Patricia Rawlings were present at the EDU round table in Vienna, which took place on the same weekend.
- I strongly recommend that Eastern Europe should be put high on the agenda for Wednesday's meeting. It is an area where we have reasonable common ground with the Group. It would be useful to ask those who have recently travelled to Eastern Europe for their impressions.
- In the European Parliament last week, the EDG put forward a proposal for a European Democracy Fund to assist with the establishment of parliamentary democracy in those reforming Eastern European countries. The proposal was blocked by the Socialists.

#### 2. LABOUR BASHING

- The British Labour Group is determined to do all it can to support the Labour leadership at Westminster and to get Mr Kinnock into Downing Street. Their leaked strategy document (attached) makes that quite plain.
- The debate on the ambulance dispute last week was a typical example of the BLG seeking to embarrass the Government at home and in Europe. A further tactic mentioned is to provoke Conservative MEPs into attacking the Government. We need to be alert to this. We also need the EDG's help in monitoring and attacking the activities of Labour MEPs.

### 3. COOPERATION BETWEEN GOVERNMENT/PARTY/EDG

- Since June, there have been a range of measures to improve relations between the EDG and the Government.
- The Prime Minister has written to Sir Christopher Prout stressing the need for regular contact between, EDG Spokesmen and Ministers, and contact with Special Advisers and CRD.
- Francis Maude has written to relevant Ministers stressing the need for regular contact with the EDG; set up formal monthly meetings with Sir Christopher Prout, Tom Spencer and Christopher Jackson; organised more specific and targeted briefings; held an open day at the CCO on 8th January.
- At Central Office, Shirley Stotter's post is a new one, which the EDG sought.

  Her early involvement in the planning of the Information Campaign is an innovation.

- CRD is keen to improve cooperation. The brief, 'Leading the Pack', was sent to the EDG in advance for comments, many of which were incorporated.
- You are visiting the EDG in Strasbourg in February and again in April.

A further proposal you might consider is a more frequent exchange between Number 10, Central Office and Euro Constituency Chairmen. Letting the Group know that we intend to seek the views of constituency Chairmen on a more regular basis - who tend to be closer to the Government - would be no bad thing. The mechanism to do that exists in the National Union's European Co-ordinating Committee, which meets every two months.

#### 4. THE MOOD OF THE EDG

- It is frustrating that the Group continues to feel isolated and unappreciated by the Party, despite the recent overtures that we have made to them. It is regrettable that recent months have seen an increase too in Press coverage of EDG/Government divisions, although that is partly due to the fact that several issues (eg Social Charter and EMU) came to a head in December. But I think we should continue to persevere to improve relations, accepting that it will be a while before our efforts bear any fruit.
- There remains a deep suspicion of Central Office among some, and general resentment at the way in which they allege Central Office and, in particular, Number 10, brief the Press 'against' the EDG. Michael Welsh, for example, told me that the Press' portrayal of the Number 10 meeting, as an olive branch extended by the Party and the Prime Minister, is orchestrated by CCO and Number 10 in an attempt to 'set the Group up'; it was the EDG which proposed the meeting. His theory is that Number 10 expects that an MEP will inevitably publicly criticise the meeting, at which point Number 10 will tell the Press that it has done its best to build bridges to the MEPs, but clearly they are not prepared to cooperate (this is why a joint press line with Christopher Prout after the meeting is so important).

- On policy, the Group's concerns centre on (a) the tone (b) the substance of the Government's policy.
  - (a) A constant gripe is that the Government is not positive enough on European matters, and is too <u>reactive</u>; it should be <u>pro-active</u>, they argue, putting forward new political initiatives with the frequency of the French, for example. And, as you know, they are especially sensitive to being told the EP is not real Parliament!
  - (b) The EDG's differences with the <u>substance</u> of the Government's European policy are the heart of the matter. Those differences are very substantial the fact that it is the policy of Britain's Conservative MEPs to work for the kind of political union in the Community which Britain's Conservative Government, and the House of Commons, and recent poll evidence (see *Independent*, 20th January 1990) do not endorse.
- There is a widespread feeling in the Group that Britain is in the process of 'missing the bus' in Europe once again, to use the old cliche. I have noticed increasing trend, on the part of Peter Price for example, to justify speaking out against the Government as his duty to the nation, which he must put above his duty to the Party.
- It is particularly difficult to know what to do about problem (b), which is exacerbated by the overwhelming desire of the EDG to gain entry to the EPP; they loathe isolation in Strasbourg, and it is the case that building political alliances is more important there than at Westminster if one is to exert any influence.
- In conclusion, I think the important thing is to speak plain ly to the EDG. The fundamentals of the Government's European policy are not going to change.
   They must accept that. Continuing to bicker in public can only damage both

cont/...

sides. The Labour Group have evidently learnt the need for loyalty to their party if they are to win elections, be they General Elections or European Elections. Eastern Europe, however, offers a great opportunity for us to work together. On other matters, the Group should use the new arrangements that we have put in place; certainly we value their expertise. Once in a while they might welcome the Government's and the Party's too.

EL/nl

c.c. John Whittingdale

Maurice Fraser

#### EUROPEAN PARLIAMENT EUROPEAN DEMOCRATIC GROUP

#### MEMORANDUM

To: The Prime Minister Date: 23 January 1990

From: Amedee Turner, Chief Whip, EDG

#### EUROPEAN PARLIAMENTARY RELATIONS WITH THE EUROPEAN PEOPLE'S PARTY

- Christopher Prout has been keeping in touch about the state of our negotiations with the European People's Party (EPP). These are continuing behind the scenes and some progress is being made with the Italian Christian Democrats, who, as you know have been the hardest nut to crack.
- The most important development over the last two or three months has been the impact of events in Eastern Europe.
  - The European People's Party (EPP) and the European Union of Christian Democrats (practically co-terminous in political effect) are now openly expansionist, and through their organisations, together with their constituent national parties, they have very considerable resources for crossfrontier activities which quite overshadow UK Conservative Party efforts.
- 3. They have identified and declared support for Christian Democrat parties or others in Eastern Europe for the forthcoming elections. Supporting them remains their prime concern. They are now giving practical support to 13 parties in five countries which they hope will fuse or ally nationally after their respective elections, and in this form will be admitted to the EPP. The EPP Group's activities in Eastern Europe are funded through a special trust set up in Luxembourg.
- 4. Most help is given by national CD parties adopting different Eastern European countries and providing instruction in campaigning methods.

- These events have also produced notably warmer relations between the European Democratic Group and those in the EPP 5. (the Italian Christian Democrats and a minority of more left-inclined Belgian and Dutch Christian Democrats) who have hitherto been cool.
- EDG relations with the German members of the EPP have always 6. been extremely good, but have been enhanced by recent events in East Germany. These events have also brought renewed interest from non-German EPP members concerned over the importance of Britain's long-term position in the European balance of power.
- I have had informal preliminary talks with Dutch, Belgian 7. and Irish EPP national party representatives and probably there would be no difficulties to closer cooperation if Italian opposition were withdrawn.
- With the Italians, to be effective contacts have to be based 8. on the national party in Rome rather than the European Parliament. We still need to familiarise them with the Conservative Party and its views.
- We attended the European Union of Christian Democrats 9. conference in Malta in November. The question of relations with the Conservatives was discussed freely from the platform. We have had discussions with the Konrad Adenauer Stiftung and the international extra-parliamentary organisation of the EPP. The former has agreed to fund and run a conference for us and the Italian CDs in Italy under their (German) auspices. The latter has agreed to run a series of seminars with us.
- The EDG held a conference on currency in Brussels in 10. November to which EPP members came. Tindemans and Herman (EPP) spoke. We held joint sessions with the EPP Group in Berlin, January 1990, to meet East German opposition parties. We hope to discuss Italian national politics with the EPP Group in Rome in March. At the normal monthly Group Meetings we hold regular joint working parties on taxation, frontier security and currency. We are holding joint Study Day sessions in April.

Four regular coordinating meetings take place each month to concert votes for the plenary. Alignment of whips is routine in the plenary and the degree of common voting has greatly increased. In most committees effective coordination takes place on a day-to- day basis.

- 3 -

- 11. We are trying to pool some Group Secretariat back-up to save work.
- 12. The Chairman and I and the Secretary General hold regular meetings with Mr Klepsch (EPP Chairman) and their Secretary General. I meet their parliamentary coordinator and a senior member of their Bureau, with the two Groups' Deputy Secretaries General regularly to negotiate "intensifying" our relationship, as requested by the EPP when we made the approach to the EPP last June. The next objective is to agree terms for regular joint working with their four policy working groups.
- 13. Because of the impact of the above activities on the EPP their Bureau has recently decided to review our relations with them in July.