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10 DOWNING STREET LONDON SWIA 2AA

From the Private Secretary

4 February 1990

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Thank you for your letter of 2 February about the likely procedural discussion at tomorrow's Foreign Affairs Council about an IGC. The Prime Minister has noted this.

I am copying this to John Gieve (HM Treasury) and David Hadley (Cabinet Office).

C.D. POWELL

J.S. Wall, Esq., Foreign and Commonwealth Office.

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RESTRICTED Foreign and Commonwealth Office London SW1A 2AH 2 February 1990 can Charle EMU The Foreign Secretary would be grateful if you would let the Prime Minister know of the possibility of some procedural discussion at Monday's Foreign Affairs Council about the formalities consequent on the Strasbourg IGC decision. Convening an IGC requires consultation with the European Parliament under Article 236 of the Treaty of Rome. Technically, this process has to be triggered by a decision of the Council of Ministers, not the European Council, and the formal Council of Ministers decision has yet to be taken. We understand that the Irish are likely to suggest on Monday that it be taken rather quickly, as happened after the Milan European Council in 1985 in the run-up to the Single European Act IGC. Given that some in the Community hanker after widening the IGC's scope, it would in fact suit us to dispose of this procedural point quickly, in precisely the terms of the Strasbourg text, which makes it clear that the IGC would be EMU-specific. The Foreign Secretary therefore proposes to agree that this procedural hoop should be gone through quickly, and in the Strasbourg terms, though he would, of

course, make it clear that we still think the IGC timing premature.

If the procedure is agreed, the actual decision would then follow without discussion at a subsequent Council. The line to take with the press, then or on Monday, is that this is only a procedural technicality, in line with the 1985 precedent. This is, of course, the plain fact.

I am copying this letter to John Gieve (HMT) and David Hadley (Cabinet Office).

Private Secretary

C D Powell Esq 10 Downing Street