



Treasury Chambers, Parliament Street, SW1P 3AG  
071-270 3000

6 September 1990

Charles Powell Esq  
PS/Prime Minister  
10 Downing Street  
LONDON  
SW1

Dear Charles,

**ECOFIN: UK RESERVE ON MONETARY COMMITTEE REPORT**

We understand from Sarcinelli, the Chairman of Monetary Committee, that Carli, the Italian Finance Minister may, as Chairman, ask the Chancellor at the informal ECOFIN next weekend whether he is prepared to lift the UK's general reserve on the Monetary Committee report on EMU. The various reserves which the UK entered in the report are attached.

We are considering what scope there is for persuading Carli not to make this request. However, if he does, the Chancellor proposes to take the following line:

"The UK still maintains its reserve on the report's references to a single currency, single monetary policy and ESCB; and on the references to legally-enforceable rules on budget deficits. However, as we have consistently stressed, we are ready to play a full part in the Inter-governmental Conference, including discussion of Treaty amendments along the lines we have proposed."

I am copying this letter to Stephen Wall and Paul Tucker.

T. Tarkowski

T TARKOWSKI  
Private Secretary

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