
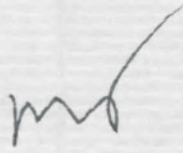


PRIME MINISTER

Foreign Secretary's Statement on the Foreign Affairs Council

Attached is the text of the Foreign Secretary's statement on the Foreign Affairs Council today. This was a pretty low key occasion following a fairly technical and flat statement. The Opposition made much of another failure to achieve a settlement and quoted, in particular, the very brief period of time during the Council which was devoted to the Budget problem and the fact that the 1983 refunds were not discussed at all. Robin Cook also referred to your alleged failure to meet President Mitterand. There was little evidence of great parliamentary interest at this stage.

CONFIDENTIAL 



11 April 1984

STATEMENT BY THE RT HON SIR GEOFFREY HOWE QC MP
ON THE FOREIGN AFFAIRS COUNCIL, LUXEMBOURG,

9/10 APRIL

With permission, Mr Speaker, I should like to make a statement about the Foreign Affairs Council which I attended in Luxembourg on the 9th and 10th of April. I was accompanied by my right hon Friend the Minister for Trade.

The Council had a brief discussion on follow-up to the European Council. It was agreed that further work on the text on control of Community expenditure, on which provisional agreement was reached at the European Council, should be remitted to the Council of Ministers (Finance). On budgetary imbalances, I made clear our determination to work for a satisfactory agreement. There was, however, no substantive discussion and no agreement was reached on this occasion. Until agreement is reached on an equitable solution, there can be no question of agreement on our part to any increase in the own resources ceiling.

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AGAINST DELIVERY

The President of the Commission made a statement on the financial situation in the Community in which he said that expenditure in the current financial year was expected to exceed the budget provision by about 2.5 billion ecu. The United Kingdom's position on this issue was made clear by my right hon Friend the Minister of Agriculture in the Agriculture Council on the 31st of March and by a formal entry in the minutes of that Council.

The Council resolved the main outstanding difficulties on the proposed Common Commercial Policy Regulation. It was agreed that the Regulation along with a package of 15 measures providing common Community safety and technical standards for industrial products should be formally adopted, subject, in our case, to a parliamentary scrutiny reserve on two of the directives.

In company with other Member States and the Commission, we strongly urged Ireland to withdraw its objection to the conclusion of a further five-year agreement on imports of New Zealand butter to the Community.

There was a discussion in preparation for the forthcoming Ministerial meeting on the Lome Convention.

A successful joint meeting with Ministers from the member countries of the European Free Trade Association (EFTA) was held on the 9th of April, following the establishment on the 1st of January 1984 of full free trade in industrial goods between the Community and the countries of EFTA.

A cooperation Council with Egypt was held to consider progress and prospects in economic, technical and financial cooperation.

At the Ministerial Conference with Spain agreement was reached on some aspects of external relations, and on the issue of patents.

Ministers of the Ten also agreed a statement on recent events in Chile. I am arranging for a copy of this to be placed in the Library of the House. We also discussed the export of certain chemicals to Iran/Iraq in the light of the UN Secretary-General's report on the use of chemical weapons in the Iran/Iraq war.

EXTRACT FROM THE HOUSE OF COMMONS OFFICIAL REPORT
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Political Integration

55. Dr. Godman asked the Secretary of State for Foreign and Commonwealth Affairs at what meetings of the Foreign Affairs Council proposals for increased political integration of the European Community have been discussed; and what has been the attitude of the Government to these proposals.

Mr. Rifkind: There has been no discussion of any proposals for increased political integration at recent meetings of the Foreign Affairs Council.

Dr. Godman: As a score or more of British Conservative MEPs recently voted in favour of the Spinelli proposals for closer political integration of the European states, is it now Government policy to work towards closer political integration of the EEC—in other words, a united states of Europe? If a closer political integration of the EEC takes place in future, which would include Spain, how would that affect the sovereignty of Gibraltar?

Mr. Rifkind: I understand that the vote to which the hon. Gentleman referred was a free vote among Conservative Members of the European Parliament and it is for individual Members of the European Parliament to take responsibility for the way in which they voted on that occasion. It is not the Government's policy to work towards a united states of Europe. We have made it clear that access between Spain and Gibraltar must be identical to that between Spain and other parts of the European Community when Spain joins the EEC.

Mr. Stokes: On the question of political integration in Europe, have we had any support at all from any of our partners in the EEC over the Libyan embassy episode?

Mr. Rifkind: I ask my hon. Friend to await the statement of my right hon. and learned Friend the Home Secretary. He will be addressing the House shortly on that matter.

Mr. Rogers: How does the Minister reconcile his answer that the Government are not looking towards the political integration of Europe with the statements made by the Prime Minister on her return from various summit meetings at Dublin, Luxembourg, Stuttgart and Athens, which contain specific proposals and ideas for developing political integration in Europe? Is the Minister not now fully acquainted with what the Prime Minister is doing behind his back?

Mr. Rifkind: There are many areas in which we wish to work towards greater European unity. However, the Government have always made it clear that the concept of a federal Europe—which is what I think his hon. Friend the Member for Greenock and Port Glasgow (Dr. Godman) was referring to—is not something that commends itself to them.

Mf