

GRS 250

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FM THE HAGUE 211500Z JUN 84

TO IMMEDIATE FCO

TELEGRAM NUMBER 223 OF 21 JUNE 1984

INFO PRIORITY EC POSTS AND UKREP BRUSSELS

PARIS TELNO 772: EUROPEAN COUNCIL

1. POSTHUMUS MEYJES CONFIRMED TO ME TODAY THAT LUBBERS AND MITTERRAND HAD DURING THE FORMER'S VISIT TO PARIS YESTERDAY DISCUSSED A PRESIDENCY SUGGESTION FOR A UK REFUND BASED ON A FLAT RATE OF COMPENSATION IN PLACE OF THE SYSTEM. IT WAS THE DUTCH UNDERSTANDING THAT THE PRESIDENCY WERE AWAITING OUR REACTION TO THIS PROPOSAL.

2. I COMMENTED THAT TO ABANDON THE SYSTEM SO LATE IN THE DAY WOULD NOT HELP THE SEARCH FOR A SOLUTION. POSTHUMUS MEYJES REPLIED THAT THE NETHERLANDS DID NOT APPLAUD THIS STEP BUT SAW LITTLE ALTERNATIVE, GIVEN THE TOTAL IMPASSE OVER THE REFERENCE FIGURE. HE ADDED THAT THEY HAD BEEN TOLD BY THE FRENCH THAT BOTH THE ITALIANS AND THE GERMANS HAD REJECTED THE SYSTEM PROPOSED IN MARCH AS A BASIS FOR A SETTLEMENT. LUBBERS TOLD MITTERRAND THAT THE DUTCH FULLY APPROVED THE FRENCH HANDLING OF THE NEGOTIATIONS AND ENCOURAGED HIM TO CONTINUE.

3. ADDRESSING THE FOREIGN AFFAIRS COMMITTEE OF THE SECOND CHAMBER ON 21 JUNE VAN DEN BROEK MADE THE FOLLOWING POINTS:

- (A) IN THE DUTCH VIEW THE CONCESSIONS ALREADY MADE TO THE UK WENT 'A VERY LONG WAY'. ENOUGH WAS ENOUGH.
- (B) SUCH FLEXIBILITY AS WAS LEFT IN THE DUTCH POSITION ON BUDGET IMBALANCES WOULD BE MORE LIKELY TO EMERGE IN DISCUSSION OF MODALITIES THAN IN TALK ABOUT MONEY.
- (C) THE NETHERLANDS GOVERNMENT HAD HOWEVER NOTED WITH APPRECIATION THE TONE OF YOUR PRESS CONFERENCE REMARKS ON 19 JUNE: 'I AM IN NO DOUBT ABOUT THE STRENGTH OF THE UK COMMITMENT TO EUROPE'.

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