

<u>FCO</u> PS PS/LADY YOUNG PS/MR RIFKIND PS/PUS MR BRAITHWAITE MR RENWICK	<u>RESIDENT CLERK</u> HD/ECD(I) (3) HD/NEWS DEPT HD/ HD/ HD/	<u>PLUS FCO</u>
<u>CABINET OFFICE</u> MR D WILLIAMSON MR STAPLETON MISS SJ LAMBERT MR M H JAY	<u>DTI (Victoria St)</u> MR R WILLIAMS MR JB INGRAM(IC DIV)	
<u>HM TREASURY</u> MR JG LITTLER MR JB UNWIN MR GW HOPKINSON	<u>M A F F</u> PERMAMENT SECRETARY	OGD'S MR Powell 19 DOWNING ST

301.85

PP DUBLIN

PP PARIS

PP BONN

PP LUXEMBOURG

PP ATHENS

PP LISBON

PP MADRID

GRS600

CONFIDENTIAL

DESKBY 021215Z FCO

FM UKREP BRUSSELS 021110Z JUL 85

TO IMMEDIATE FCO

TELEGRAM NUMBER 2448 OF 2 JULY

INFO PRIORITY COPENHAGEN THE HAGUE ROME DUBLIN PARIS BONN LUXEMBOURG
ATHENS LISBON AND MADRID.

INFO SAVING BRUSSELS.

FOLLOW UP TO EUROPEAN COUNCIL : INSTITUTIONAL QUESTIONS

1. I HAD AN INFORMAL TALK WITH MY LUXEMBOURG COLLEAGUE THIS MORNING. HE SPOKE VERY FRANKLY (PLEASE PROTECT).

2. HE MADE IT CLEAR THAT LUXEMBOURG MINISTERS HAD NOT YET MADE UP THEIR MINDS HOW TO PROCEED. BUT THEY DO CONSIDER THAT THEY HAVE A RESPONSIBILITY TO MAKE PROPOSALS UNDER PARAGRAPH 3 OF THE COUNCIL CONCLUSIONS. HIS OWN IDEAS ARE SUBJECT TO POOS' APPROVAL.

3. WEYLAND SAID THAT THE LUXEMBOURGERS WERE CONCERNED TO MINIMISE THE SCOPE FOR DISAGREEMENT AND FRICTION AT THE INTERGOVERNMENTAL CONFERENCE.

THEY WOULD PREFER TO LIMIT IT TO DISCUSSION OF ARTICLES 57 (11), 99 AND 100. THEY WERE AFRAID THAT THERE MIGHT BE A HOST OF PROPOSALS WHICH STOOD NO CHANCE OF SUCCESS, PARTICULARLY ON THE POWERS OF THE PARLIAMENT. THEY WERE THEREFORE EXAMINING WHETHER IT COULD BE MAINTAINED THAT A DECISION TO HOLD THE CONFERENCE HAD ALREADY BEEN

PARLIAMENT. THEY WERE THEREFORE EXAMINING WHETHER IT COULD BE MAINTAINED THAT A DECISION TO HOLD THE CONFERENCE HAD ALREADY BEEN TAKEN ON THE BASIS OF THE COMMISSION'S SUGGESTION TO AMEND THESE ARTICLES. WHILE WARMLY SUPPORTING HIS AIM TO LIMIT THE SCOPE OF THE CONFERENCE AND RECOGNISING THAT THIS MIGHT BE DIFFICULT IF A NEW PROPOSAL WERE MADE AND SUBMITTED TO THE EUROPEAN PARLIAMENT, FOR AN OPINION, I EXPRESSED SOME DOUBT AS TO WHETHER IT COULD SERIOUSLY BE ARGUED THAT A VOTE IN ACCORDANCE WITH ARTICLE 236 HAD BEEN TAKEN. FROM YOUR ACCOUNT AT MILAN I HAD UNDERSTOOD THAT EVEN THE ITALIANS HAD NOT MAINTAINED THIS. WEYLAND RECOGNISED THE DIFFICULTIES BUT CONTINUED TO HARP ON THE DANGERS OF WIDENING THE SCOPE OF THE DISCUSSION.

4. WEYLAND AGREED WITH ME THAT, ALTHOUGH IT HAD NOT BEEN WIRTTEN DOWN IN THE CONCLUSIONS, THE EUROPEAN COUNCIL HAD AGREED THAT THE POLITICAL COOPERATION AGREEMENT AND THE ARTICLE 236 AMENDMENTS SHOULD BE HANDLED SEPARATELY. HE SAID THAT HE WAS PROPOSING TO RECOMMEND THAT FOREIGN MINISTERS SHOULD CHARGE THE POLITICAL DIRECTORS WITH WORKING ON THE DRAFT POLITICAL COOPERATION AGREEMENT.

5. HE ALSO SAID THAT THE LUXEMBOURGERS WANTD TO CONTINUE TO WORK ON THE QUESTION OF IMMEDIATE ACTION ON DECISION-MAKING PROCEDURES, THE MANAGEMENT POWERS OF THE COMMISSION AND PARLIAMENT/COUNCIL RELATIONS. THEY INTERPRETED PARAGRAPH 3 OF THE CONCLUSIONS AS POINTING IN THAT DIRECTION RATHER THAN PUTTING THESE QUESTIONS INTO THE INTERGOVERNMENTAL CONFERENCE. THEY WERE THINKING OF SUGGESTING THAT THE FOREIGN MINISTERS SHOULD TAKE UP SECTION 1 OF THE FINAL PRESIDENCY DRAFT OF 1600 HOURS WHERE IT HAD BEEN LEFT OFF WHEN PAPANDREOU HAD OBJECTED TO IT. I AGREED WITH HIM THAT THESE QUESTIONS SHOULD BE KEPT OUT OF THE INTERGOVERNMENTAL CONFERENCE AND SAID THAT I SAW NO REASON WHY WE SHOULD NOT FALL IN WITH HIS APPROACH.

FCO ADVANCE TO POWELL (NO10).

FCO - RENWICK PS

CAB - WILLIAMSON

BUTLER

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