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Ref. A085/1876

PRIME MINISTER

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Cabinet: Community Affairs

The Chancellor of the Exchequer will report on the outcome of the Economic and Finance Council (ECOFIN) on 8 July at which there was substantive agreement on the reference framework for the 1986 budget. The framework is an important part of the budgetary discipline procedures adopted at the European Council in Dublin in December 1984, and the agreement is satisfactory to the United Kingdom. Some uncertainty remains about the arrangements for the European Parliament to discuss the reference framework, but this is unlikely to delay its adoption at the Foreign Affairs Council (or at a special ECOFIN Council) on 22-23 July.

2. The Agriculture Council will meet on 15 and 16 July.

A handwritten signature in dark ink, consisting of the letters 'R' and 'A' in a stylized, cursive font. The signature is located to the right of the main text block.

ROBERT ARMSTRONG

10 July 1985

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