



Foreign and Commonwealth Office

London SW1A 2AH

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Private Secretaries to  
All Government Ministers

Dear Private Secretary,

FUTURE DEVELOPMENT OF THE COMMUNITY

I attach a short note of HMG's line on the Future Development of the Community in the aftermath of the Milan European Council.

I hope this will serve to keep Ministers briefed on a subject of considerable current interest, and help them explain HMG's position in any contacts they may have, especially with other Europeans.

yours sincerely  
Anthony Cary

Anthony Cary  
Private Secretary to  
Malcolm Rifkind

## Future Development of the Community

### General

It is regrettable that substantive decisions on future development of the Community were not taken at the Milan European Council. The Council nevertheless made useful progress by agreeing priorities for action to remove barriers to trade and to strengthen high technology.

We will play a positive role at the proposed inter-governmental conference with the aim of strengthening the unity of the European Community in practical ways.

### Detail

- Some important decisions were taken at Milan:

- \* priorities were agreed for action to complete the internal market in goods and services. This will improve the climate for enterprise and employment;
- \* urgent action was set in hand on technological collaboration;
- \* work will now go ahead on an agreement on political co-operation, on the basis of UK and Franco-German texts.

- Other decisions were unfortunately shirked. It should have been possible, for example, to reach agreement at Milan on positive improvements in decision taking, based on realistic proposals.

- HMG is disappointed that a majority of member states preferred instead to convene an inter-governmental conference. This has meant delaying improvements which the EC badly needs.

- But we will naturally attend the conference and play a full and positive part.

[As necessary]

- We hope that proposals put to the conference will be ones which stand a real chance of implementation, bearing in mind that amendments to the EC Treaty must be unanimously agreed. It would be a great pity if the conference served only to disunite us (eg because of the wide gap between Italian and Danish positions on the European Parliament).

- It is hard to see why the improvements we all seek in the operation of the Community cannot be achieved within the existing Treaties. We are willing, nevertheless, to look at any proposals put before the conference.