CONFIDENTIAL FM MOSCOW TO DESKBY D81430Z FC0 TELNO 237 OF 081400Z FEBRUARY 89 AND TO DESKBY 081430Z MADRID INFO PRIORITY UKREP BRUSSELS, PARIS, BONN, WASHINGTON INFO SAVING OTHER CSCE POOSTS

A melliphication

YOUR TELNO 170: SHEVARDNADZE'S DINNER WITH AMBASSADORS OF THE TWELVE: HIGHLIGHTS SUMMARY

1. SHEVARDNADZE WELCOMES THE EXTENSION OF THE DIALOGUE WITH THE TWELVE WHICH HE SETS IN THE CONTEXT OF THE IMPROVEMENT IN THE WIDER EUROPEAN DIALOGUE AND TTHE HELSINKI PROCESS. SPECIFIC PROPOSALS FOR FUTURE CONSULTATION, INITIALLY ON THE CSCE FOLLOW-UP MEETINGS. LITTLE ELSE NEW IN SUBSTANCE. REVIVAL OF IDEA OF A EUROPEAN "REYKJAVIK" AND A EUROPEAN RISK AVOIDANCE CENTRE. A USEFUL FIRSTMEETING.

DETAIL

- 2. IN HIS SCRIPTED OPENING REMARKS SHEVARDNADZE HAILED THE MEETING AS A NEW STAGE IN THE DIALOGUE WITH REPRESENTATIVES OF THE COMMUNITIES WHICH FORMED PART OF THE BROADER PROCESS OF BULDING CONFIDENCE IN EUROPE AND ADAPTING TO THE ''NEW REALITIES.'' THE PROCESS OF DEVELOPING RELATIONS BETWEEN THE SOVIET UNION AND THE COMMUNITY AND BETWEEN CMEA AND THE COMMUNITY WAS LONG OVERDUE AND SHOULD BE PRESSED FORWARD. A MORE DYNAMIC POOLITICAL DIALOGUE WOULD CONTRIBUTE TO THIS. THE FUTURE DIALOGUE SHOULD INCLUDE ALL THE ITEMS ON THE AGENDA OF EUROPEAN WIDER COOPERATION AND SHOULD ALSO CONSIDER THE RELATIONSHIP OF EUROPE AS A WHOLE TO THE REST OF THE WORLD AND IN CONNECTION WITH SUCH PROBLEMS AS POVERTY, THE ENVIRONMENT AND THE MISERY CAUSED BY REIGONAL CONFLICTS.
- 3. THE SPANISH AMBASSADOR IN REPLY HIGHLIGHTED SOME OF THE PRINCIPLE ENSHRINED IN THE TREATY OF ROME AND THE SINGLE EUROPE ACT AND QUOTED THE COMMITMENT OF THE RHODES COMMUNIQUE TO BEQUEATH A BETTER CONTINENT TO THE NEXT GENERATION. A MARKER WAS PUT DOWN FOR A RETURN INVITATION.
- 4. SHEVARDNADZE CONVEYED AN ORAL MESSAGE OF GREETINGS FROM GORBACHEV EXPRESSING HIS ACTIVE SUPPORT FOR THE DEVELOPMENT OF THE DIALOGUE WITH THE TWELVE: ALSO SETTING IT AGAINST THE BACKGROUND OF THE HELSINKI PROCESS.
- 5. SHEVARDNADZE THEN SIDESTEPPED A REQUEST FROM THE SPANISH AMBASSADOR FOR HIM TO SAY SOMETHING ABOUT HIS VISITS TO CHINA AND

PAGE 1 CONFIDENTIAL PAKISTAN (ALTHOUGH HE SUBSEQUENTLY RETURNED TO THIS SUBJECT - SEE MIFT) AND WENT ON TO SPEAK LESS FORMALLY ABOUT HIS VIEW OF THE SCOPE OF THE DIALOGUE WITH THE TWELVE. FOR HIM THE REDUCTION IN MILITARY CONFRONTATION WAS THE TOP PRIORITY PROBLEM. TO THIS END HE SET OUT AGAIN TWO PROPOSALS WHICHGORBACHEV HAD MADE IN WARSAW IN JULY LAST YEAR AND ASKED FOR A REACTION FROM THE GOVERNMENT REPRESENTED:

(I) IT WAS TIME TO START PREPARATIONS FOR AN ALL-EUROPEAN SUMMIT WHICH MIGHT BE HELD IN ONE OR TWO YEARS TIME. AHEAD LAY THE ENORMOUS TASK OF UNITING THE PEOPLES OF EUROPE ON THE ROAD TOWARDS COMMON ETHICS AND LAW AND A NUCLEAR-FREE AND NON-VIOLENT WORLD:

(II) AN ALL-EURPEAN RISK AVOIDANCE CENTRE TO INCLUDE THE NEUTRAL GOVERNMENTS. SHEVARDNADZE SAID THAT AFTER INITIAL DOUBTS, THE RUSSIANS HAD BEEN IMPRESSED BY THE UTILITY OF THE NUCLEAR RISK AVOIDANCE CENTRE WHICH THEY HAD ESTABLISHED WITH THE AMERICANS SOVIET-TWELVE DIALOGUE

6. SHEVARDNADZE PROPOSED THAT A SERIES OF CONSULTATIONS SHOULD BE HELD IN ADVANCE OF THE CSCE FOLLOW-UP MEETINGS TO BE HELD DURING THE YEAR. THE SUBJECT COULD BE DISCUSSED WHEN HE MET THE SPANISH FOREIGN MINISTER IN MARCH. IN PREPARATION FOR THE LONDON INFORMATION FORUM A MEETING MIGHT BE HELD WITH THE TROIKA AT DEPUTY MINISTER LEVEL IN MADRID OR MOSCOW. THE RUSSIANS WOULD BE WILLING TOHOST A CONSULTATION ON THE ENVIRONMENTAL PROTECTOIN MEETING: AND WOULD ALSO WELCOME CONSULTATION ON THE CONFERENCE ON THE HUMAN DIMENSION.

7. SHEVARDNADZE PROPOSED A MEETING AT MINNISTERIAL LEVEL IN THE MARGINS OF THE UN GENERAL ASSEMBLY TO WHICH ''IT WOULD BE FAIR TO INVITE THE EAST EUROPEANS.'' A PROGRAMME OF CONSULTATIONS FOR 1990 SHOULD BE DRAWN UP.

COMMERCIAL AND ECONOMIC COOPERATION

- 8. SHEVARDNADZE THEN CALLED FOR THE PREPARATION OF AN ''AGREED LEGAL BASIS'' FOR THE RAPPROCHEMENT OF THE TWO EUROPEAN ECONOMIC SYSTEMS. WHEN IT WAS POINTED OUT THAT A MANDATE ALREADY EXISTED FOR NEGOTIATIONS BETWEEN THE SOVIET UNION AND THE COMMUNITY SHEVARDNADZE SAID HE WAS LOOKING FURTHER TO THE FUTURE WHEN NEW PROBLEMS WERE BOUND TO ARISE. AMONG THE SPECIFIC POSSIBILITIES HE MENTIONED WERE NEW FORMS OF COOPERATION IN COMMERCE AND TECHNOLOGY: THE EXTENSION OF INVESTMENT PROTECITON AGREEMENTS (TO WHICH HE ATTACHED GREAT IMPORTANCE PERHAPS INTO MULTILATERAL AGREEMENTS: AND IMPROVED MUTUAL INFORMATION AND EDUCATON OF OFFICIALS/BUSINESSMEN ON BOTH SIDES. VIENNA CONVENTION ON CONSULAR RELATIONS
- 9. SHEVARDNADZE ANNOUNCED THAT THE USSR HAD DECIDED TO ACCEDE TO TTHE 1963 CONVENTION.

CONDITIONS FOR DIPLOMATS IN MOSCOW

10. SHEVARDNADZE WAS TAXED ABOUT THE CONTRAINTS ON DIPLOMATIC WORK IN MOSCOW. HE WAS CHEERFULLY DISMISSIVE OF THE IDEA THAT THERE WERE

PAGE 2 CONFIDENTIAL ANY LONGER PROBLEMS OF ACCESS BY DIPLOMATS TO SOVIET ORGANISATIONS BUT UNDERTOOK IN THE INTERESTS OF ''FIGHTING BUREAUCRACY'' TO LOOK AT THE SPECIFIC PROBLEMS WHICH WERE PUT TO HIM. ON ACCESS TO MISSIONS, HOWEVER, HE WAS VERY DEFENSIVE ON THE TRADITIONAL GROUNDS OF THE NEED TO ''PROTECT'' DIPLOMATIC MISSIONS, ALTHOUGH HE ADMITTED POSSIBLE EXCESS OF ZEAL ON THE PART OF OUR CUSTODIANS.

COMMENT 11. THE EC GROUP WILL COMPARE NOTES AND EXAMINE THE ENTRAILS AT OUR REGULAR MEETING ON 9 FEBRUARY. MY IMPRESSION IS THAT HTIS WAS A USEFUL FIRST MEETING. IT STARTED RATHER WEEDENLY BUT THE ATMOSPHEE IMPROVED CONSIDERABLY AS THE EVENING PROGRESSED. SHEVARDNADZE PUTHIS OWN TWIST ON THE AGENDA WITH HEAVY EMPHASIS ON THE PAN-EUROPEAN DIMENSION, ALTHOUGH HE WAS SPARING WITH ACTUAL REFERENCES TO A COMMON EUROPEAN HOME. BUT HE CANNOT BE SAID TO HAVE ABUSED HIS POSITION AS HOST. THERE WAS ITTLE DISCUSSION, NO DOUBT CONSCIOUSLY ON THE SOVIET SIDE, OF REGIONAL QUESITONS. THIS FACT, AND THE THIN OR SECOND-HAND CONTENT OF SHEVARDNADZE'S SPECIFIC PROPOSALS, PROVOKED INITIAL DISAPPOINTMENTIN SOME OF THE CHERS COLLEGUES. BUT THE DESIRE TO PURSUE A DIALOGUE WITH THE MEMBERS OF THE COMMUNITY WAS FIRMLY EXPRESSED AND I BELIEVE GENUINE. IT IS UP TO US TO SEEK TO USE IT TO OUR ADVANTAGE. SHEVARDNADZE'S PROGRAMME (PARAS 6-7) MAY OF COURSE STRIKE YOU AS OVER-AMBITIOUS.

12. FOR SHEVARDNADZE'S COMMENTS ON HIS VISITS TO CHINA AND PAKISTAN SEE MIFT.

13. A FULLER ACCOUNT OF THE MEETING FOLLOWS BY BAG (NOT TO ALL)

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