

*The President  
of the European Parliament*

Brussels,

14. -7- 1983

BR 005194

The Prime Minister  
The Rt. Hon. Margaret THATCHER, MP  
10 Downing Street

GB - LONDON SW1

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Dear Mrs. Thatcher,

I should like to express a sincere word of thanks for your Government's hospitality during my official visit in June. I consider that the discussions I had with you, with the Foreign Secretary, the Chancellor of the Exchequer and the Minister of State at the Foreign and Commonwealth Office were most constructive.

May I take this opportunity to come back to you on your reference to Mr. Robert Jackson, MEP, and the debate on the Supplementary Budget, No. 1, for 1983. I should like to emphasise that while he said what he did, Mr. Jackson made it quite clear that, "supplementary measures of the type that constitute the 1980, 1981 and the original 1982 compensation arrangements are now dead". Or to use the terminology employed by Mr. Neil Balfour, on behalf of the European Democratic Group, "what was presented to us in December of last year we shall never again accept" ... "never again will a minister be able to return to his own country having bargained for a chunk of our budget at Council level and claim that he carries with him a solemn undertaking from the Community."

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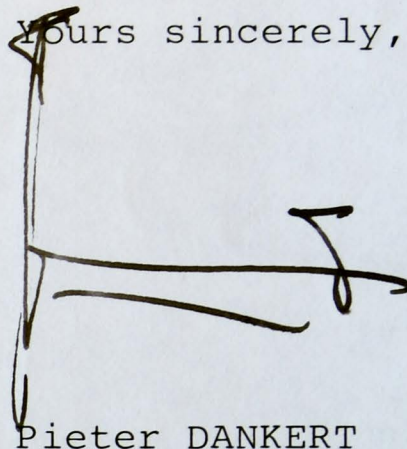
The Prime Minister

- 2 -

I should like to stress that the European Parliament will continue to press for an equitable and long term solution to the problem of Britain's net budgetary contribution to the Community.

Thank you once again for your most generous hospitality.

Yours sincerely,

A handwritten signature in dark ink, consisting of a vertical line with a horizontal stroke crossing it near the bottom, followed by a small loop and a final horizontal stroke.

Pieter DANKERT



Prime Minister



I am inclined to think  
that you should not  
pursue this correspondence with  
Mr. Dankert because  
(a) it inflates his importance  
(b) I do not find our argument  
very convincing.

Foreign and Commonwealth Office

London SW1A 2AH

27 July 1983

Agree?

A.S.C. 27/7

John S. M.

European Parliament

I enclose a draft reply from the Prime Minister to  
Mr Dankert's letter of 14 July.

You asked whether it would be wise for the Prime Minister to continue to refer to Mr Robert Jackson's statement on the budget problem on 10 February 1983. The extract from Mr Jackson's statement quoted by Mr Dankert (which is about supplementary measures) does not alter the general thrust of Mr Jackson's argument, to which the Prime Minister referred, that the absence of a long term settlement would not prevent an interim agreement for Britain this year. Both Mr Jackson and Mr Balfour emphasised in their statements that they did not intend to deny the need for an interim solution for 1983. Nevertheless it might be better in future for the Prime Minister to refer to the Arndt Resolution of 18 May 1983 for the Parliament's considered view on an interim solution for 1983 since it is both more recent and is likely to carry more weight than the view of a Conservative MEP. Its importance is that it does not link an interim solution to agreement on the long term but only to a "clear conception of it".

I am sending copies of this letter and its enclosures to John Kerr (HM Treasury) and Richard Hatfield (Cabinet Office).

(R B Bone)  
Private Secretary

A J Coles Esq  
10 Downing Street



DRAFT: ~~XXXX~~/letter ~~XXXX~~ ~~XXXX~~ ~~XXXX~~ ~~XXXX~~

TYPE: Draft/Final 1+

FROM:

Reference

Prime Minister

DEPARTMENT:

TEL. NO:

SECURITY CLASSIFICATION

TO:

Your Reference

Top Secret

Secret

Confidential

Restricted

Unclassified

Mr Pieter Dankert

President of the European Parliament

Centre European

Plateau du Kirchberg

PO Box 1601

Luxembourg

Copies to:

PRIVACY MARKING

SUBJECT:

.....In Confidence

Thank you for your letter of 14 July. I too found our discussion during your recent visit here most constructive.

CAVEAT.....

I was encouraged during our meeting by your view that we would eventually get our refunds for 1983. I am also glad to have your assurance that the European Parliament will continue to press for an equitable and long term solution to the problem of Britain's net contribution to the Community.

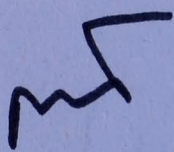
You took me up on a reference I made to Mr Robert Jackson's statement in February about the possibility of further refunds in the absence of a long term agreement on Community financing. You drew my attention to his remark that the Budget Committee would not agree to further supplementary measures like those rejected by the Parliament in December 1982 and to a similar remark by Mr Neil Balfour. However, I do not think this really alters the general sense of Mr Jackson's argument. As I recall, Mr Jackson and Mr Balfour both emphasised that they did not intend to deny the need for an interim solution for 1983. Moreover, I believe that much the

Enclosures—flag(s).....

/same



same point was made in the Arndt Resolution of 18 May 1983 which states that Parliament would not accept any further transitional solution "unless there is a clear conception of how the Community is to be financed in the future". Like the Parliament, we want a long term solution to the Community's financial problems as soon as possible and we are working to that end in accordance with the declaration agreed by the European Council at Stuttgart. The European Council have agreed separate conclusions on compensation to the United Kingdom for 1983 and I hope that the Parliament will agree to the necessary budgetary provision, in accordance with the draft 1984 budget, which has just been agreed by the Council.







Text of the Arndt Resolution is as follows:

'The European Parliament ..... again draws attention to the fact that it will not accept any further transitional solution with regard to European Community expenditure and revenue in a member state or a solution based in any way on the idea of 'fair returns'; unless there is a clear conception of how the Community is to be financed in the future.'



Review Pol,  
Budget,  
pt 21



THE SECRETARY OF STATE FOR THE HOME DEPARTMENT

TO THE HON. MEMBER FOR THE LONDON BOROUGH OF SOUTHWICK  
FROM THE SECRETARY OF STATE FOR THE HOME DEPARTMENT  
IN ANSWER TO A QUESTION  
ASKEED AT THE HOUSE OF COMMONS  
ON 11 JULY 1968  
RE: THE LONDON BOROUGH OF SOUTHWICK  
THE SECRETARY OF STATE FOR THE HOME DEPARTMENT  
HAS THE HONOR TO INFORM THE HON. MEMBER THAT  
HE HAS BEEN ADVISED BY THE LONDON BOROUGH OF SOUTHWICK  
THAT THE BOROUGH COUNCIL IS CURRENTLY CONSIDERING  
THE PROPOSAL TO REDEVELOP THE AREA OF THE  
FORMER SOUTHWICK WORKS AND THAT THE BOROUGH COUNCIL  
IS CURRENTLY CONSULTING THE SECRETARY OF STATE FOR THE  
HOME DEPARTMENT ON THE MATTER.



22/7 JUL 1968





10 DOWNING STREET

*From the Private Secretary*

18 July 1983

EUROPEAN PARLIAMENT

I enclose a copy of a letter which the Prime Minister has received from the President of the European Parliament.

As the purpose of the letter is to thank the Prime Minister and others for the arrangements made for Mr. Dankert's recent visit to this country, no reply is necessary. But if you think that Mrs. Thatcher should take up Mr. Dankert's references to the statements by Mr. Robert Jackson and Mr. Neil Balfour on the budget problem, perhaps you will let me know. In any case, since the Prime Minister has made a number of references to Mr. Jackson's remarks, I should be grateful for advice on the extent to which it would be wise for her to continue to do so.

I am sending copies of this letter and its enclosure to John Kerr (HM Treasury) and Richard Hatfield (Cabinet Office).

A. J. COLES

R. B. Bone, Esq.,  
Foreign and Commonwealth Office.

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