



the department for Enterprise

cc/c

The Rt. Hon. Lord Young of Graffham
Secretary of State for Trade and Industry

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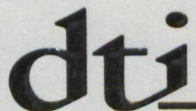
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Dear Charles,

RHODES EUROPEAN COUNCIL

My Secretary of State has seen a copy of Lyn Parker's letter to you of 29 November enclosing the revised Greek draft of the proposed European Council statement on the Community's international role.

Lord Young recognises that, thanks to our intervention, the present draft, and particularly the first paragraph, is a considerable improvement over the earlier version. Nevertheless, in the fifteenth line of the first paragraph the Greeks have re-inserted the phrase "global reciprocity". Because of references made to reciprocity in other contexts, for example the Second Banking Directive, the Community's trading partners, and particularly the United States, will see the phrase as qualifying and restricting what is said elsewhere in the paragraph about the Community's willingness to maintain open markets in Europe after 1992. Lord Young therefore believes that we should press very strongly for the removal of the phrase "global reciprocity and". An acceptable version of the underlying thought could be expressed by revising the following sentence to read "The



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Community will continue to seek the expansion of world trade on a multilateral basis through the GATT Uruguay Round".

I am sending copies of this letter to Lyn Parker (FCO), Alex Allan (Treasury), Shirley Stagg (MAFF) and Roger Lavelle (Cabinet Office).

Yours etc,

Neil Thornton

NEIL THORNTON
Principal Private Secretary



EURO PUL
Rhodes

