



① Need to take ^{CONFIDENTIAL}

resolute steps to fight terrorism - London in Athens

② LEP for new blueprint Foreign and Commonwealth Office

London SW1A 2AH

③ Seat of Parliament

1 December 1988

Papandreu - Conclusions acceptable to Parliament

- Condemn terrorist activity in Athens

Sean Charles

Have to look into problems you have raised

EP's contribution on Structural Funds

European Council: Address by Lord Plumb

We have obtained in confidence the enclosed text of Lord Plumb's remarks at the European Council. He will raise two controversial issues.

First, he will propose that the Council mandate the Parliament to prepare proposals on the future development of the Community, for submission before 1992. We cannot stop the Parliament deciding to do this work if it wishes. However we must avoid any European Council commission for such work. With luck, no-one at Rhodes will take up the suggestion. But if anyone does, the Prime Minister's line might be:

- don't myself see any need for new blueprints. And I certainly wouldn't want to commission one today;
- EP can, of course, do as they think fit: but would hope that they, like the Council, would regard completing the Single Market by 1992 as the no 1 goal. The issues are well covered in the Commission's report. EP has a clear-cut role through the cooperation procedure.

Lord Plumb will also urge a change to the existing arrangements for the site of the Parliament. Its Secretariat is in Luxembourg, its plenary meetings are held in Strasbourg, and its Committees meet in Brussels. This is costly and inefficient, and Lord Plumb would like a single Brussels site. Both France and Luxembourg regard the existing arrangements as a major national interest and there could be no change without unanimous agreement. So Lord Plumb's remarks are likely to provoke a hostile reaction from President Mitterrand (and M. Santer). There is everything to be said for staying out of this battle, which is unavoidable, and not intervening: either on Mitterrand's side (upsetting the EDG) or on Plumb's (upsetting Mitterrand, with whom we have bigger fish to fry).

Jaws.
Stephe Wall
(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

CONFIDENTIAL

Lord Plumb's address to the Rhodes European Council

2 December 1988

This meeting of the European Council takes place against the backcloth of recent sustained Community achievement. 1992 has not only caught the imagination of our citizens, it is a subject of widespread and sustained international interest.

On behalf of the European Parliament I have argued that we are not building a protectionist, fortress Europe. The Community's commitment to free trade is well established and of proven advantage to our economy.

Internationally the Community is exercising more and more clout. And this has never been more important as we approach the GATT Ministerial Review and a new United States Presidency. You have before you Parliament's recent resolutions proposing priorities for the Community and for its external relations.

A strong European Community was, in my view, the main reason why COMECON wanted to reach agreement and why countries like the Soviet Union wish to establish diplomatic relations with us. United, the Member States are best placed to chart the developments of new political and economic relationships in Europe, and a more central role for the Community will inevitably bolster its influence.

Europe is on course because of all the measures which have been agreed. You are not meeting in crisis conditions to solve impenetrably technical issues. Instead you can indicate the appropriate overall direction.

The Parliament welcomes your initiative to stimulate progress on the environment. We have always advocated increased efforts to improve environmental protection as foreseen in the Single European Act, and look forward to the Community taking a higher profile in global discussions of the key problems confronting the world's environment.

Equally we expect that progress on the Internal Market will be complemented by the adoption of sensible measures in, for example, health and safety at the workplace. Of course these measures must take account of industrial conditions and the existing legislation and practices in the Member States. They will have many justifications, not least that there will be a readily appreciated favourable impact on our citizens.

Parliament's involvement in the Community's legislative processes has been strengthened by the Single European Act. This was a major challenge to which the Parliament has responded well, despite the intrinsic disadvantages of our present working arrangements. Fears that our closer involvement would lead to conflict and delays have proved unfounded. Our internal procedures have been streamlined, and the nature of our work has changed. Legislative work may often lack glamour and arouse little press interest, but more and more it is the essence of our endeavours.

With it there has been a clear change, and, I am glad to say, a positive improvement in relations between the Institutions. We do not, of course, and should not always agree, but we tend now to have a better understanding of each other's positions. The 1989 budget procedure, unlike any of its recent predecessors, is rolling smoothly towards agreement later this month. Why? Because the Inter-Institutional Agreement has provided the means of implementing your February Conclusions, in the context of agreed budget discipline.

At last, the planning of legislation is becoming concerted between the Council and the Parliament. As a matter of course we are each beginning to take into account the views of the other Institutions. We are starting to work together, and sensible amendments proposed by Parliament in its role as co-legislator are increasingly being incorporated in the legislative texts finally adopted by the

Council. The result is improved legislation, approved not only by the Council representing national governments but by Parliament representing the European electorate as a whole. This trend is encouraging as we all recognise our respective responsibilities to implement the SEA and achieve the Internal Market.

This was clearly brought out in the Commission's report on progress towards the realisation of the Internal Market. I endorse the Commission's analysis, and agree that constructive cooperation between the three Institutions remains vital.

Already, the new procedures, combined with mechanisms for seeking conciliation and agreement between Council and Parliament, have ensured that the necessary decisions are now being taken more rapidly. New methods of dialogue between the Institutions have also begun to emerge. These developments should be encouraged and I would invite you to ask the Council to extend the procedures for dialogue and conciliation with Parliament, a commitment set out in the Stuttgart Solemn Declaration. Neither Council nor Parliament have anything to fear from closer contact and dialogue, which leads to better understanding, agreement and an improvement in the texts under discussion.

1992 is only four years away. Discussion is already taking place about the consequences of the establishment of a single market. 1992 is also the deadline laid down in Article 30 of the Single Act for the review of European Political Cooperation procedures. It is the year in which the budgetary perspectives agreed earlier this year come to an end. Finally, it is the year in which the Commission considers that the Community should take a decision on its further enlargement. In other words, the whole future development of the Community will inevitably be a matter for discussion.

May I then make a suggestion to the European Council? Why not formally request the European Parliament to prepare proposals for the future development of the Community? As you know, the Parliament contains representatives from all shades of political opinion in the Community. A new mandate will be obtained from the European electorate in June 1989. Let us draw on this mandate to ask it, the Parliament, consulting as widely as possible and particularly with national parliaments, to submit proposals before 1992. This will still leave it time to consider all the relevant issues and to assess carefully and calmly the various options open to the European Community.

I turn now to a subject which is not on your agenda but which, frankly, I believe should have been on your agenda a long time ago and indeed must be on your agenda very soon. I refer to the issue of the Seat of Parliament. It is of course, under the Treaties the duty of the Governments of the Member States to determine the Seat of the Institutions of the Community by a common accord.

I am not interested in national rivalries on this issue. I believe it to be one of fundamental institutional importance. I am concerned above all with the efficiency of the practical workings of Parliament, which also has a direct bearing on the quality of our participation in the institutional triangle with the Commission and the Council.

The Single European Act has placed upon the Parliament extra responsibilities. Our workload is likely to increase, rather than decrease, in the future. We have taken on this work willingly and I believe that our response to the challenges it has brought is irreproachable. But we have the feeling that we are working with one hand tied behind our backs.

Let me give you one example of the difficulties we face:

In September, we were asked to produce opinions on four major proposals concerning the Structural Funds. We all agree on the importance of these measures for the achievement of cohesion. As a result of immense efforts by Council and Parliament, these should be adopted in December. In the Parliament this necessitated special priority, and following a two-hour vote, the preparation in eight hours of 2.2 million sheets of paper compared to the usual 400,000, so that our minutes could be transmitted to Brussels in time for the Foreign Affairs Council, the next working day. You can imagine how complicated was our work in this 9-week period, when 21 committee discussions were necessary in Brussels and Strasbourg. The Secretariat were in Luxembourg, the Commission experts were in Brussels, and three Plenary sessions were in Strasbourg.

Parliament cannot continue to function efficiently within the present conditions.

I fear also that, in the long run, the electorate will not accept the extra financial cost and the reduced efficiency of the Parliament which results from having to move staff and working materials from place to place.

I am not for one moment minimising the difficulties which Member State Governments will face in dealing with this problem.

Nevertheless I come back to my starting point: the provisions of the Treaties, in assigning to Member States the competence for fixing the Seat of the Institutions, place upon the Member States an absolute obligation to exercise this competence in order to ensure the functioning of the Community.