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UKREP BRUSSELS TEL 1871: DUBLIN II EUROPEAN COUNCIL 25/26 JUNE.

SUMMARY

1. THE TAOISEACH NEEDS A SUCCESSFUL EUROPEAN COUNCIL AND WILL WORK HARD TO GET IT. THE PRESIDENCY APPROACHES THE COUNCIL WITH THE DOSSIERS IN RESPECTABLE SHAPE. THERE ARE POINTS OF DIFFICULTY, BUT IT SHOULD NOT BE A CONTENTIOUS MEETING.

DETAIL

2. THE FOLLOWING ASSESSMENT OF THE PRESIDENCY APPROACH TO THE EUROPEAN COUNCIL NEXT WEEK IS BASED ON BILATERAL BRIEFING AT THE HADLEY/BARRINGTON MEETING ON 20 JUNE, THE PRESIDENCY BRIEFING OF EC AMBASSADORS ON 21 JUNE, THE TAOISEACH'S LETTERS OF 21 JUNE TO HIS EC COLLEAGUES AND SIR DAVID HANNAY'S TELEGRAM UNDER REFERENCE. I AGREE WITH HANNAY THAT THIS DOES NOT LOOK LIKE A CONTENTIOUS COUNCIL OR ONE WHICH NEED POSE DIFFICULTY TO THE UNITED KINGDOM. POTENTIAL POINTS OF FRICTION ARE THE HANDLING OF EMU UNDER THE ITALIAN PRESIDENCY: MR HAUGHEY'S SHOTGUN ENVIRONMENT PAPER: CHANCELLOR KOHL'S IDEAS FOR AID TO THE SOVIET UNION: AND SOUTH AFRICAN SANCTIONS.

3. THE TAOISEACH INTENDS TO DEVOTE MONDAY MORNING TO SEPARATE DEBATES ON THE 'THREE PILLARS' OF EUROPEAN INTEGRATION:

(A) POLITICAL UNION. IT IS NOW EXPECTED THAT THE COUNCIL WILL AGREE TO CONVENE A SECOND IGC ON 14 DECEMBER. THE PRESIDENCY INTENDS TO ENTRUST THE PREPARATORY WORK TO FOREIGN MINISTERS AND THEIR REPRESENTATIVES IN COREPER ON THE BASIS OF THE PARKNASILLA PAPER AND CONTRIBUTIONS FROM MEMBER STATES. YOUR ARTICLE WILL APPEAR IN THE IRISH TIMES FOR 22 JUNE. THE ONLY POINT OF DIFFICULTY IS LIKELY TO BE THE NATURE OF ANY LINK WITH THE IGC ON EMU:

(B) EMU. THE COUNCIL WILL DECIDE TO CONVENE IN IGC ON 13 DECEMBER. THE MAIN ISSUE IS THE DIFFICULTY TO WHICH 'FULL AND ADEQUATE PREPARATION' IS ALREADY COMPLETE. THE TAOISEACH'S LETTER AVOIDS

TAKING A POSITION: THE MEETING SHOULD 'REVIEW PROGRESS IN THE PREPARATORY WORK'. THE CHANCELLOR'S PAPER HAS BEEN RECEIVED WITH INTEREST IN DUBLIN AND MY EC COLLEAGUES WOULD REGARD AS PREPOSTEROUS ANY ATTEMPT TO EXCLUDE FURTHER EXAMINATION OF THIS AND OTHER PROPOSALS. IRISH OFFICIALS THIS MORNING WERE REASONABLY ROBUST IN THE VIEW THAT THE ITALIAN PRESIDENCY SHOULD BE USED FOR FURTHER PREPARATORY WORK SO THAT THE IGC COULD ADDRESS CONCRETE ISSUES FROM THE OUTSET:

(C) SINGLE MARKET. THE IRISH ARE HYPER-SENSITIVE TO CRITICISM OF THEIR PERFORMANCE. ON 20 JUNE THEY CLAIMED 26 MEASURES COMPLETED UNDER THEIR PRESIDENCY WITH MORE TO COME. THEY WILL EXPECT TO BE CONGRATULATED. BUT THEY DO NOT EXCLUDE THE POSSIBILITY THAT THE EUROPEAN COUNCIL MIGHT USEFULLY ESTABLISH PRIORITIES FOR THEIR SUCCESSORS, EG ON FINANCIAL SERVICES AND INSURANCE.

4. KOHL WILL REPORT ON GERMAN UNIFICATION AT PRESIDENT HILLERY'S LUNCH, AT WHICH THE EAST GERMANS WILL BE PRESENT.

5. MR HAUGHEY INTENDS TO DEVOTE MONDAY AFTERNOON TO THE EUROPE OF THE CITIZENS:

(A) ENVIRONMENT. THE TAOISEACH HAS INVESTED DOMESTIC POLITICAL CAPITAL IN HIS PROPOSAL FOR A RESOUNDING DECLARATION ON THE ENVIRONMENT. HE WILL FIGHT FOR IT TENACIOUSLY BUT WILL BE WILLING TO MAKE CONCESSIONS IF NECESSARY TO SECURE IT. HE SEEMS TO TAKE PRIDE IN THE DISINGENIOUS WAY IN WHICH HE SOUGHT TO BOUNCE HIS COLLEAGUES INTO ACCEPTING THE IRISH TEXT WITHOUT PROPER CONSULTATION. HIS UNORTHODOX METHODS HAVE AROUSED ALMOST UNIVERSAL IRRITATION. I HOPE THAT THE EXPERTS MEETING TODAY WILL BE ABLE TO KNOCK THE DRAFT INTO SHAPE. IF NOT, I HOPE THAT WE NEED NOT TAKE THE LEAD IN ATTACKING IT. BUT IF PUSH COMES TO SHOVE THE TAOISEACH WILL SETTLE FOR SOMETHING RATHER THAN NOTHING:

(B) DRUGS AND ORGANISED CRIME. THE TAOISEACH SEEKS GUIDELINES FOR ACTION. THE CELAD AND TREVI REPORTS PROVIDE THE BASIS. THERE SEEMS TO BE NO DIFFICULTY ABOUT THE INCLUSION OF THE POINTS YOU MADE AT THE FAC ON THE IMPORTANCE EASTERN EUROPE AND THE NEED TO ENDORSE TREVI'S CALL FOR THE EARLY ESTABLISHMENT OF THE EDIU.

(C) THE DUTCH PAPER ON ANTI-SEMITISM.

6. THE TAOISEACH PROPOSES TO ADDRESS THE SEATS OF THE INSTITUTIONS IN THE AFTERNOON AND AGAIN OVER DINNER. THE PRESIDENCY IS PESSIMISTIC.

THERE IS NO SIGN OF THE FRENCH MODIFYING THEIR PRIOR CONDITION ABOUT STRASBOURG, NOR OF LUXEMBOURG OR BELGIUM ACCEPTING IT. EVEN IF THE FRENCH OBSTACLE COULD BE OVERCOME, IT WAS NOT CLEAR THAT A BARGAIN COULD BE STRUCK. THE IRISH PREFERENCE WOULD GIVE THE TRAINING FOUNDATION TO BERLIN, THE TRADE MARK OFFICE TO SPAIN AND THE ENVIRONMENT AGENCY TO DENMARK, BUT THEY DESPAIR OF PROGRESS. HADLEY AND I URGED UPON THEM THAT THEY MUST AT LEAST BE SEEN TO TRY. THE TAOISEACH' LETTER SAYS THAT WE SHOULD NOT CONTINUE ''TO LET THIS QUESTION GO UNDECIDED''. THE IRISH OFFICIALS TODAY SAID IT WAS A ''SCANDAL'' THAT WE SHOULD MAKE HIGH SOUNDING DECLARATIONS ABOUT THE ENVIRONMENT BUT BE UNABLE TO AGREE ON THE SEAT OF THE AGENCY.

7. THE MAIN SUBJECT OVER DINNER WILL BE KOHL'S PROPOSAL FOR ECONOMIC AID TO THE SOVIET UNION. THE IRISH ARE AMBIVALENT. THE TAOISEACH IS ATTRACTED BY THE IDEA OF AN ACT OF COMMUNITY STATESMANSHIP UNDER HIS PRESIDENCY TO UNDERPIN THE FUTURE OF MR GORBACHEV. HE ASSUMES THAT OTHERS WOULD FOOT MOST OF THE BILL. ON THE OTHER HAND A MASSIVE NEW COMMITMENT TO THE SOVIET UNION WOULD LEAVE LITTLE CHARITY FOR PERIPHERAL STATES. WE HAVE MADE SOME PROGRESS OVERNIGHT IN PERSUADING IRISH OFFICIALS THAT THE QUESTION OF AID TO THE SOVIET UNION SHOULD BE SUBJECT TO THE USUAL RULES OF ECONOMIC AND POLITICAL CONDITIONALITY, AND THAT IT MAKES NO SENSE TO POUR MONEY INTO THE SOVIET UNION IN ADVANCE OF REFORM.

8. THE FOREIGN MINISTERS' DINNER - AND THE COUNCIL PLENARY ON TUESDAY MORNING - WILL DEAL WITH EXTERNAL QUESTIONS INCLUDING:

(A) CSCE AND ITS RELATION TO THE TIMING OF GERMAN UNIFICATION, TWO PLUS FOUR, CFE ETC:

(B) SOUTH AFRICA. MR COLLINS CONCLUDED AT THE FAC THAT THERE WAS A WIDE SPECTRUM OF VIEWS BUT NO CONSENSUS FOR LIFTING SANCTIONS. THE PRESIDENCY HAVE CIRCULATED BY COREU A DRAFT DECLARATION DESIGNED TO ENCOURAGE DE KLERK AND MANDELA, AND TO OFFER THE PROSPECT OF IMPROVEMENT IN THE COMMUNITY'S POSITION IN RESPONSE TO FURTHER CHANGE IN SOUTH AFRICA. THE PLAIN FACT IS THAT THE TAOISEACH IS NOT GOING TO AGREE TO ANY LIFTING OF SANCTIONS JUST BEFORE MANDELA'S VISIT TO DUBLIN 1-3 JULY:

(C) MIDDLE EAST. PRESIDENCY DRAFT CIRCULATED. THE IRISH ARE BAFFLED AND DISMAYED BY THE AMERICAN DECISION TO BREAK OFF THE DIALOGUE WITH THE PLO BUT RESIST GREEK PRESSURE TO BE OPENLY CRITICAL OF THE AMERICANS:

(D) CYPRUS. THE GREEKS INSIST. THE IRISH ACQUIESCE, BUT THEY DO NOT
LIKE THE GREEK DRAFT.

9. BRITISH AND IRISH OFFICIALS AGREE THAT THERE IS NO NEED FOR A
BILATERAL WITH HAUGHEY SO SOON AFTER THE TAOISEACH'S VISIT TO DOWNING
STREET ON 13 JUNE. IRISH OFFICIALS HOPE TO REVIVE THE PRACTICE AT THE
NEXT EUROPEAN COUNCIL.

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