DRAFT

26 June 1990

CONCLUSIONS OF THE EUROPEAN COUNCIL
DUBLIN, 25-26 JUNE 1990

The European Council heard a statement by Mr BARON, the President of the European Parliament, in which he set out the Parliament's position and priorities with regard to the main Community topics in particular the two forthcoming Intergovernmental Conferences.

Introduction

1. The European Council, determined to ensure the continued dynamic development of the Community at a time of great challenge for Europe and the world, agreed to intensify the process of transforming relations as a whole among Member States into a European Union invested with the necessary means of action. To this end it reviewed progress and laid down guidelines with regard to the full implementation of the Single European Act; it agreed to convene an Intergovernmental Conference on Political Union; it reviewed the preparatory work for the Intergovernmental Conference, already agreed, on Economic and Monetary Union; and it fixed the opening dates for these two Intergovernmental Conferences.

Note : SEA language.

2. With a view to enhancing the benefits which our peoples derive from belonging to a Community which has as its raison d'être the promotion of their rights, their freedoms and their welfare, the European Council dealt with a number of themes of particular relevance to the individual citizen including the free movement of persons, the environment, drugs and their links with organized crime, and

13 Uhr.

14 Pschorr.

noon 14 L.

15 Hofbräuhaus

antisemitism. The European Council sees action in these areas as essential to the Union it wishes to achieve over the coming years.

3. The European Council, determined to strengthen the role of the Community in the world in order to meet its international responsibilities, reviewed progress in the Community's external relations and laid down guidelines for future action in a number of areas. The discussion reflected the increased coherence between the economic and the political aspects of the Community's international action.

I PROGRESS TOWARDS EUROPEAN UNION

1. Implementation of the Single European Act

The fulfilment of the commitments contained in the Single Act is fundamental to the process of integration and to the creation of a European Union. Economic and Monetary Union and Political Union must be built on an area without internal frontiers in which the free movement of goods, persons, services and capital is ensured in accordance with the provisions of the Treaty, where economic and social cohesion is assured, and where the necessary accompanying policies to the Internal Market are developed.

NJSk.
x This reference is OK, because of Y, which brings in Article 8(a)

The European Council took stock of progress towards the implementation of the Single European Act.

a) Internal Market

The European Council welcomed the good progress which has been made in a number of fields in recent months and noted that two thirds of the measures had now been agreed.

(1) Add "including the procurement of ...."

The present text "public procurement of services" limits it only to services. That would ignore the need for action on public procurement generally as well as on services: the primary requirement now is for action on the Compliance arrangements for all Public Procurement.

(2) 2 Directives are envisaged: one on life assurance, one on non-life. Why single out only the latter? Better to have "life and non-life" – or simply drop "non-life."

Note: (3) This reference to fiscal harmonisation is OK, because it is limited to transport (road fund licences etc) and is an attack on the German discriminatory road licence fee tax.)

In the area of public procurement it noted the important agreement on the opening up of the previously excluded sectors of water, energy, transport and telecommunications. The European Council looked forward to further progress being made in the area of public procurement [including the procurement of services].

Important progress has been made in the financial services sector. The European Council asked for rapid progress in the areas of investment services and of [non-life] insurance. It also asked for rapid completion of work on intellectual property, and effective action in relation to takeovers within the Community.

As regards animal and plant health, the European Council called for rapid completion of the internal market in agriculture and foodstuffs building on recent progress.

In the fiscal area, the recent agreement on the package of three cooperation measures on company tax is an important step forward. On indirect taxes the European Council called for adoption before the end of the year of the new VAT and excise duties arrangements which are to apply from 1 January 1993.

The European Council welcomed the adoption of the second phase of the liberalisation of air transport and other important recent advances in the transport sector. [It stressed the importance of sustained progress in all areas of transport policy (in particular cabotage, fiscal harmonisation, transit). In this connection it noted with particular interest the memorandum submitted by the Netherlands on this subject, which it asked the Transport Council to consider with a view to a report to the next European Council.

Recalling its conclusions at Strasbourg on development and interconnection of trans-European networks, the European Council asked that guidelines on this matter be agreed before the end of this year.

At its December meeting the European Council will undertake a general examination of the progress made towards achieving the internal market within the time limit fixed, on the basis of the Commission's Report required by the Single European Act.

The European Council emphasised the vital importance of implementation of Community legislation at national level within the required time limits. It asked the Commission to strengthen its supervisory procedures in this context. It agreed to review the situation at its next meeting.

b) Research

The European Council welcomed the adoption of the Third Framework Programme for the period 1990-94, which provides for 5.7 bn. Ecu to finance the Community research and development programme over that period. It called for early decisions on the specific programmes to be established under the Framework Programme.

c) Social Dimension

The European Council recalled the particular importance which it attaches to the development of the social dimension in all its aspects with a view to ensuring that the opportunities offered by the completion of the internal market are fully exploited to the benefit of all of the peoples of the Community.

Despite the recent significant improvement in general economic conditions, long-term unemployment among adults and young people remains a major problem.

(3) It isn't a community Charter, ~~and~~ It was described in the Strasbourg Conclusions, when adopted by 11 member-states, as "The Community Charter of the Fundamental Social Rights of workers." But that was included in the Conclusions, with our agreement, in ~~quotation marks~~ quotation marks. We could ask for quotation marks again. Or simply ask for deletion as shown.

Note. If we wanted a specific reference to the Major proposals, we could try adding at + "including recent suggestions from the UK"

The European Council considered that national and Community action must address this. It welcomed the measures adopted recently by the Council of Social Affairs on action to assist the long-term unemployed, on vocational training and on health and safety of workers.

The European Council welcomed the timetable established by the Troika of Social Affairs Ministers and the Commission for the presentation and examination of proposals under the Commission's Action Programme in application of the Community Charter of the Fundamental Social Rights of Workers.

d) E.M.S.

The European Council noted the satisfactory functioning and recent development of the E.M.S.

2. Economic and Monetary Union

The first stage of Economic and Monetary Union will come into effect on 1st July 1990. The European Council considered that this stage should be used to ensure convergence in the economic performance of Member States, to advance cohesion and to further the use of the Ecu, all of which are of importance for the further progress towards EMU.

The European Council reviewed the preparation of the forthcoming Intergovernmental Conference. It noted that all the relevant issues are now being fully and thoroughly clarified, with the constructive contribution of all Member States and that common ground is emerging in a number of fields. In these circumstances the European Council decided that the Intergovernmental Conference will open on 14th December 1990 with a view to establishing the final stages of Economic and Monetary Union in the perspective of the completion of the Internal Market and

in the context of economic and social cohesion. The Conference should conclude its work rapidly with the objective of ratification of the results by Member States before the end of 1992.

The European Council asked the ECO/FIN Council and the General Affairs Council assisted by the competent bodies to carry out their work in such a way that negotiations on a concrete basis can be entered into as soon as the Conference opens.

3. Political Union

The European Council had an extensive exchange of views on the basis of the examination and analysis conducted by Foreign Ministers and the ideas and proposals put forward by Member States and the Commission.

On this basis, and following a discussion on the calling of an Intergovernmental Conference on Political Union, the President of the European Council noted the agreement to convene such a Conference under Article 236 of the Treaty. The Conference will open on 15 December 1990. It will adopt its own agenda, and conclude its work rapidly with the objective of ratification by Member States before the end of 1992.

Foreign Ministers will prepare the Conference. Preparatory work will be based on the results of the deliberations of Foreign Ministers (Annex I) and on contributions from national governments and the Commission, and will be conducted in such a way as to permit negotiations on a concrete basis to begin from the start of the Conference.

Close dialogue will be maintained with the European Parliament both in the preparatory phase and in the conference phase on Political Union as well as on Economic and Monetary Union.

The European Council considered that the necessary coherence in the work of the two Conferences should be ensured by the General Affairs Council.

4. German Unification

The European Council heard a report from the German Federal Chancellor on the progress towards German unification. It welcomed the conclusion of the inter-German State Treaty which will promote and accelerate the integration of the territory of the German Democratic Republic into the Community.

The European Council expressed its satisfaction that the Commission has accelerated its preparatory work and intends to submit proposals for the necessary transitional arrangements in September. It asked the Council to reach early agreement in conformity with the guidelines laid down by the European Council in April.

II PROGRESS IN FIELDS RELATING TO A PEOPLES EUROPE

The European Council emphasised that a fundamental objective of European integration is the promotion of the rights, freedoms and welfare of the individual citizen. It emphasised the importance of a People's Europe which seeks to ensure and bring home in a direct and practical way the benefit of the Community to all its citizens.

Note x is new, but difficult to argue against.
And there is money ~~in the~~ within the budget ceiling
which could appropriately be used.

1. Environment

The European Council considered the role of the Community and its Member States in the protection of the environment within the Community and at the global level. It agreed that a more enlightened and more systematic approach to environmental management is urgently required. It emphasised that research and environmental monitoring must be intensified to achieve a better understanding of the phenomena involved in global change and the implications of different courses of action. But the European Council stressed that research must not be used to justify procrastination; the areas of scientific uncertainty have been narrowed down and the implementation of response measures can no longer be delayed.

Following its discussion the European Council adopted the declaration in Annex II - setting out guidelines for future action. It requested the Commission to use the objectives and the principles contained in the declaration as the basis of the Community's 5th Action Programme for the Environment and to present before the end of 1991 a draft of this programme. The European Council agreed to ask the Commission to analyse and prepare proposals for an appropriate Community programme to deal with the threat to the tropical rain forest in consultation with the countries concerned and in particular Brazil. It also agreed that the Community would consult other industrialized countries, [and in particular the other members of the group of the seven major industrial countries,] on concerted action on this question.

2. Free Movement of Persons

The European Council noted with satisfaction that there was now agreement on the three Directives on the right of residence.

④ We need to get our East/West European conference proposal in here: ie:—

"To this end, It invited the Pompidou Group to convene an early conference of western and Eastern European countries on drugs issues"

It took note of the developments as set out in the Coordinators' Report on the Free Movement of Persons. It welcomed the conclusion and signature by 11 Member States of the Convention determining the State responsible for examining applications for asylum which is the first major legal instrument in the series necessary to ensure the free movement of people. It expressed the hope that this Convention will be signed by all Member States before the end of the year. It noted progress on the Convention on the crossing of the external borders of the Community and urged the competent bodies to take the necessary steps to ensure that this Convention would be signed by the end of this year in accordance with the conclusions reached by the European Council in Strasbourg.

3. Drugs and Organised Crime

The European Council held a thorough debate on the basis of reports from the High-Level Coordinators' Group, CELAD, and from the TREVI Group. It agreed that drug addiction and traffic in drugs are sources of great damage to individuals and society as well as to States and constitute a major menace to Europe and the rest of the world. In view of the extent of this scourge and in the perspective of a Europe without internal frontiers the European Council agreed on the need for a coherent and effective policy at the European level.

The European Council endorsed the conclusions of the two reports and asked the Council to reach agreement before the end of the year on the basis of the Commission's proposals on trade in precursors with non-Community countries and on an integrated programme for cooperation with Colombia. It welcomed the Commission proposal to combat money laundering and asked for final adoption of adequate measures before July 1991. It invited the Member States to adopt legislation which provides for seizure of the assets of persons involved in drug trafficking.

It invited the Commission to submit in the near future an appropriate drug demand reduction programme at Community level to supplement national action. It also invited the Commission to present on a regular basis to the Council and Ministers for Health a report on work done in this area.

The European Council considered that effective action by each Member State, supported by joint action of the Twelve and the Community, should be a main priority over the coming years. The necessary human and material resources both at national and Community level would be provided for an effective fight against drugs and organised crime.

The European Council asked CELAD in close consultation with the Commission to prepare for the meeting of the European Council in Rome a European plan to combat drugs covering measures on prevention, on demand reduction programmes, on health and social policy with regard to drug addicts, the suppression of drugs trafficking and providing for an active European role in international action, bilaterally and in multilateral fora. It asked the TREVI Group to speed up work on the creation of a common information system, a European programme of training for law enforcement officers from drug-producing and transit countries, coordination of Member States' programmes of technical police cooperation with those countries, and the establishment of a European central drugs intelligence unit if possible before the end of 1990. It urged the Group to proceed with expanding the network of liaison officers in producer and transit countries and with improving controls at external frontiers.

4. Antisemitism, Racism and Xenophobia

The European Council adopted the Declaration in Annex III.

(5) This plainly won't do. The right course might be to propose a paragraph based on what we know the French were yesterday ready to settle for — ie :—

["The European Council sees a need for ~~the Community~~ and its ~~member states to~~ a precise analysis of the economic situation in the Soviet Union, the Community and its member states will propose to its partners that this analysis should be prepared by a high Level expert group, involving EBRD, IMF, IBRD, OECD, EIB, and Commission expertise, in close consultation with the Soviet authorities".]

Improved formula approved by PM. – separate text.

[This is the French language, slightly shortened, with no ~~the~~ specific reference to Attali, but EBRD given pride of place.]

Note. The reference to the Dutch paper is acceptable.

PAGE 11, FINAL PARAGRAPH

The European Council sees a need for a precise analysis covering long-term and short-term aspects of the economic situation in the Soviet Union, with particular reference to the need for structural reform. In this connection, the Community and its member states will propose to its partners that this analysis should be prepared by a High Level expert group, involving EBRD, IMF, IBRD, OECD, EIB, and Commission expertise, in close consultation with the Soviet authorities.

[In this connection the Commission will examine the proposal of the Netherlands government for the establishment of European Energy Network.]

III EXTERNAL RELATIONS

The European Council noted with satisfaction that the guidelines laid down at its special session in April for the Community's external policy are being translated into concrete action, notably

- the preparatory work for the CSCE Summit
- the exploratory talks, soon to be opened, on Association Agreements with certain Central and Eastern European countries
- the proposals submitted by the Commission on the renewal of the Community's Mediterranean policy and the agreement on a mandate for negotiation with the EFTA countries which have now commenced with the objective of completion before the end of the year.

The European Council dealt with the following subjects:

1. The Economic Situation in the USSR

The European Council had a substantial discussion of the situation in the Soviet Union. It underlined the interest of the Community in the success of the political and economic reform initiated by President Gorbachev, and its support for the efforts of the Soviet Union to make progress towards a democratic system and a market-oriented economy.

[The European Council asked the Commission to consult the government of the Soviet Union with a view to preparing urgently proposals covering short term credits and longer term support for structural reform.] In this connection the Commission will examine the proposal of the Netherlands government for the establishment of European Energy Network.

2. Central and Eastern Europe

The European Council welcomed the continuing progress being made in Central and Eastern European countries in establishing pluralist democracy founded on the rule of law, full respect for human rights, and the principles of the market-oriented economy. The European Council reaffirmed the right of individual citizens to participate fully in this process and called on all states to observe this principle without reservation. The European Council welcomed in particular the holding of free elections in Central and Eastern Europe and expressed the hope that these will lead to a fuller realisation of democratic ideals which, of course, entail full respect for the rights of the opposition parties. The European Council expressed its deep satisfaction at the progress already made and in prospect towards overcoming the divisions of Europe and restoring the unity of the continent whose peoples share a common heritage and culture.The European Council recalled the contribution already made by the Community and the Member States to supporting the process of political and economic reform, notably through the G-24, and affirmed its intention to broaden and intensify that approach.

3. CSCE

The European Council reaffirms the important role played by the CSCE in the process of change in Europe. At a time when our continent is actively engaged in surmounting its divisions, the CSCE provides a necessary framework for maintaining stability and promoting cooperation in Europe and for deepening the reforms that are underway.

It attaches great importance to the comprehensive nature of the CSCE process which brings together the peoples and governments of Europe, the United States and Canada.

It welcomes the decision taken by the Member States of the CSCE to convene in Paris a Summit of Heads of State and Government. 19 November 1990 for this meeting.

For the European Council, this Summit has an exceptional importance. It should be an opportunity to define the crucial role which the CSCE will play in the future architecture of Europe and in establishing a new set of relations between participating States, based on the Helsinki principles, to be further expanded by new commitments and involving a balanced development of the CSCE encompassing notably the development of pluralist democracy, the rule of law, human rights, better protection of minorities, human contacts, security, economic cooperation, the environment, further cooperation in the Mediterranean and cooperation in the field of culture.

The European Council expects that the Summit, among other things, will:

- make a decisive contribution to strengthening stability and cooperation in Europe, and to disarmament;

- take note of the results obtained in talks relating to German unity, in particular its final settlement under international law;

- provide a basis orientation for future economic relations and cooperation in Europe. A closer association between the Community and other States members of the CSCE is an example of such relations and cooperation;

- set out guidelines for a democratic Europe and consolidate the principles of a State based on the rule of law.

and taking into account the enlargement of ~~Community~~ with other partnership States

Note. Uruguay Round paragraph optimal.

The European Council proposes agreement on regular meetings of Heads of State and Government of the CSCE, as well as of Ministers of Foreign Affairs, and the establishment of a small administrative secretariat, as well as the holding of more frequent follow-up meetings. The Summit will also provide the opportunity to consider the relationship between the CSCE process and other relevant institutions, such as the Council of Europe. Furthermore, the Summit could take decisions on new mechanisms in the field of security and cooperation in Europe, including suitable means to avoid conflict and disputes, and involving the active participation of parliamentary bodies.

The European Community and its Member States intend to assume a leading role in this enterprise and to contribute actively to all discussion within the CSCE process.

Considering the importance of the Paris Summit, the European Council has agreed that the Community and its Member States will strengthen their coordination with a view to defining and expressing a common position on all questions, in the various sectors of the CSCE, in which they have an essential common interest.

4. Transatlantic relations

The European Council expressed its satisfaction with the developments in the Community's relations with the United States, based on the structure laid down by the European Council in April and characterized by ever closer cooperation.

5. Uruguay Round

The European Council stressed that the successful conclusion of the Uruguay Round by December 1990 was a major priority for the Community. It emphasised the

benefits for the peoples of the world by way of improved living standards that would flow from the removal of barriers to multilateral free trade. It reaffirmed the Community's determination to play a full and active part in the negotiations. It emphasised the need to define the components of possible solutions, taking account of the global nature of the negotiations.

6. Africa

i) Southern Africa

The European Council adopted the declaration in Annex IV.

ii) Sub-Saharan Africa

The European Council expressed its serious concern about sub-Saharan Africa. The economic situation in these countries, including debt, is worrying. The European Council, emphasising the commitment of the Community and its member States to the development of Africa, in particular through the Lomé Convention, declares its support for progress in the observance of human rights and good government in sub-Saharan Africa.

7. Middle East

The European Council adopted the declaration in Annex V.

8. Nuclear Non-Proliferation

The European Council adopted the declaration in Annex VI.

9. Iranian earthquake

The European Council adopted the declaration in Annex VII.

10. Cyprus

The European Council adopted the declaration in Annex VIII.

11. Kashmir

The European Council discussed the current tension between India and Pakistan over the question of Kashmir. The European Community and its member States enjoy excellent relations with India and Pakistan. They welcome and encourage recent efforts to deescalate the state of tension between the two countries. They hope that such initial positive steps will lead to a fuller dialogue and a resolution of this problem in order that India and Pakistan can resume full and fruitful relations.

/ NB PTO.

Note. This Greek text is fine. It incorporates the 2 amendments to the version the Greeks shared us yesterday — insertion of ECOFIN
- removal of measures "ad means"

GREEK ECONOMY

The European Council expresses its satisfaction with the initial measures adopted by the Greek government for the stabilization, modernization and development of the Greek economy and invites the Commission to examine, in close collaboration with the Greek government and the ECO/FIN Council, measures needed to ensure the successful restructuring of the Greek economy and its closer integration into the Community.