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TO IMMEDIATE FCO

TELEGRAM NUMBER 2000 12 JUNE

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COREPER (AMBASSADORS) : 12 JUNE

PREPARATION FOR EUROPEAN COUNCIL

SUMMARY

1. PRESIDENCY ANNOUNCED LONG LIST OF POSSIBLE SUBJECTS FOR DISCUSSION, GROUPED UNDER THREE HEADINGS: POLITICAL COOPERATION, FUTURE OF COMMUNITY, CURRENT COMMUNITY PROBLEMS. COMMISSION WILL PRODUCE PAPER ON ECONOMIC AND SOCIAL SITUATION AND A DOCUMENT ON IMPLEMENTATION OF NEW POLICIES, PARTICULARLY IN FIELD OF RESEARCH. MITTERRAND WILL WRITE TO MEMBERS OF EUROPEAN COUNCIL SETTING OUT HIS HANDLING PLANS IN SOME DETAIL. NO FIRM PRESIDENCY PLANS YET ON DRAFT CONCLUSIONS.

DETAIL

2. LEPRETTE (PRESIDENCY) GAVE A LONG ACCOUNT OF PRESENT PRESIDENCY THINKING STRESSING ITS TENTATIVE NATURE.

A. THEMES

3. THE FOLLOWING OUTLINE INCORPORATES CLARIFICATION FROM THE SUBSEQUENT DISCUSSION. LEPRETTE SAID THAT NO PRIORITY SHOULD BE READ INTO THE ORDER.

I POLITICAL COOPERATION SUBJECTS

(A) EAST/WEST

(B) SITUATION IN THE GULF

(C) EVALUATION OF THE LONDON SUMMIT

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II FUTURE OF THE COMMUNITY

- (A) NEW COMMISSION AND PRESIDENCY OF THE COMMISSION - RUTTEN (NETHERLANDS) SUGGESTED NEED TO CONCENTRATE ON NUMBER OF COMMISSIONERS AND THE "PROFILE" IF NOT THE ACTUAL NAME OF THE NEW PRESIDENT.
- (B) INSTITUTIONAL IDEAS IN MITTERRAND'S SPEECH - COVERING FUNCTIONING OF THE INSTITUTIONS, DECISION-MAKING PROCEDURES, A POSSIBLE POLITICAL SECRETARIAT AND THE NEED FOR A NEW TREATY.
- (C) NEW COMMUNITY ACTIVITIES - THIS WOULD NOT BE MERELY A REPETITION OF THE PREVIOUS DISCUSSIONS OF NEW POLICIES, BUT LEPRETTE WAS UNABLE TO GIVE DETAIL.

III CURRENT COMMUNITY PROBLEMS

- (A) BUDGETARY IMBALANCES
- (B) THE BUDGETARY SHORTFALL
- (C) BUDGETARY DISCIPLINE - LEPRETTE WAS UNABLE TO ANSWER MY QUESTION ABOUT WHEN THE REPORT FROM THE ECOFIN COUNCIL WOULD BE AVAILABLE BUT TOOK MY POINT THAT IT WOULD BE USEFUL TO HAVE IT BEFORE THE FOREIGN AFFAIRS COUNCIL SO THAT FOREIGN MINISTERS COULD DECIDE WHETHER THERE WERE ANY NEW POINTS REQUIRING REFERENCE AT THIS STAGE TO THE EUROPEAN COUNCIL.
- (D) IMPLEMENTATION OF THE AGRICULTURE PACKAGE - UNDER QUESTIONING LEPRETTE SAID THAT SOME GOVERNMENTS WERE COMPLAINING THAT ALL WAS NOT AS IT SHOULD BE. NOEL (COMMISSION) INDICATED THAT THE COMMISSION HOPED TO GIVE A FIRST RESPONSE TO THE GERMAN COMMUNICATION (ON VAT ALLEVIATION) TO THE AGRICULTURE COUNCIL ON 18/19 JUNE. RUTTEN (NETHERLANDS) WONDERED HOW THE FOREIGN AFFAIRS COUNCIL COULD PROPERLY PREPARE EUROPEAN COUNCIL DISCUSSION IN THE CIRCUMSTANCES.
- (E) ENLARGEMENT) -UNDER QUESTIONING LEPRETTE AGREED THAT
- (F) NEGOTIATIONS WITH ACP) IT WAS NOT POSSIBLE TO SEE PRECISELY WHAT, IF ANYTHING, THE EUROPEAN COUNCIL COULD CONTRIBUTE ON THESE SUBJECTS UNTIL AFTER THE 18/19 JUNE FOREIGN AFFAIRS COUNCIL.
- (G) ECONOMIC AND SOCIAL AFFAIRS - LEPRETTE DID NOT INCLUDE THIS IN HIS ORIGINAL LIST BUT AGREED WITH RUTTEN THAT IT WOULD FEATURE AS A MATTER OF COURSE. NOEL CONFIRMED THAT A COMMISSION PAPER WOULD BE AVAILABLE ON 18 JUNE.
- (H) SOCIAL AFFAIRS (WORKING TIME) - RUTTEN REMINDED LEPRETTE OF THE SOCIAL AFFAIRS COUNCIL CONCLUSION, AND THE LATTER AGREED THAT THE QUESTION WOULD NO DOUBT BE PUT TO THE EUROPEAN COUNCIL.
- (I) STRUCTURAL FUNDS/IMPS - DIMADIS (GREECE) PREDICATABLY POINTED OUT THAT LEPRETTE HAD OMITTED THIS FROM HIS LIST; THE LATTER REPLIED THAT THERE WAS NOTHING TO NEGOTIATE ABOUT ON THESE MATTERS.

B. PREPARATION

4. LEPRETTE SAID THAT THE PRESIDENCY SET MUCH STORE BY THE FORTH-COMING COMMISSION REPORT ON IMPLEMENTING NEW POLICIES SINCE THE BEGINNING OF THE YEAR. NOEL SAID THAT WORK WAS PROGRESSING. THE RESULTS WOULD BE AVAILABLE THIS WEEK TO BE CONVERTED INTO A

RESULTS WOULD BE AVAILABLE THIS WEEK TO BE CONVERTED INTO A COMMISSION OR JOINT COMMISSION/PRESIDENCY PAPER. LEPRETTE CONFIRMED THAT MITTERRAND WOULD WRITE THE USUAL LETTER TO HEADS OF GOVERNMENT, BUT NOT UNTIL AFTER THE FOREIGN AFFAIRS COUNCIL. HE DID NOT KNOW IF ANY OTHER DOCUMENTS (EG DRAFT CONCLUSIONS) WOULD BE PREPARED IN ADVANCE: EXPLAINING THIS HE SAID THAT IF CERTAIN OUTSTANDING MATTERS COULD BE SETTLED AMBITIOUS CONCLUSIONS MIGHT BE POSSIBLE, WHEREAS IF A SETTLEMENT WERE NOT REACHED AMBITIOUS WOULD NEED TO BE MODERATED.

5. O'ROURKE (IRELAND) THOUGHT THAT THE PRESIDENCY MIGHT BE TRYING TO FIT TOO MUCH INTO TWO HALF-DAYS. IMPORTANT ISSUES NEEDED TO BE RESOLVED. CALAMIA (ITALY) THOUGHT THE ORDER INDICATED BY LEPRETTE WAS BACK TO FRONT. I RECALLED THAT THE PRESIDENCY HAD AT AN EARLIER STAGE SUGGESTED THAT HEADS OF GOVERNMENT KEEP OPEN THE POSSIBILITY OF STAYING UNTIL THE TUESDAY EVENING.

6. I SUGGESTED THAT MINISTERS AT THE FOREIGN AFFAIRS COUNCIL SHOULD BE INVITED TO AGREE WHETHER THE EUROPEAN COUNCIL WAS TO TAKE NEW DECISIONS AND ON WHICH SUBJECTS CONCLUSIONS WOULD NEED TO BE DRAFTED. PROVISION SHOULD BE MADE FOR THEM TO HAVE A DISCUSSION OF SUBSTANCE OF THE LATTER CATEGORY. LEPRETTE'S REPLY WAS EVASIVE.

7. LUXEMBOURG ASKED FOR THE AD HOC GROUP REPORT ON SEAT OF THE INSTITUTIONS TO BE "IN THE DOSSIER" BUT SAID THAT THEY WOULD NOT EXPECT A FULL DISCUSSION.

8. LEPRETTE CONCLUDED THAT HE WOULD REPORT FURTHER TO COREPER AS THINKING EVOLVED IN PARIS.

9. BOTH ERSBOLL (WHO SAW DUMAS IN PARIS ON SATURDAY) AND O'ROURKE HAVE TOLD ME PRIVATELY TODAY THAT THE FRENCH ARE THINKING OF ASKING THE EUROPEAN COUNCIL TO DECIDE THAT THERE SHOULD BE A MINISTERIAL MEETING ON THE FUTURE OF THE COMMUNITY IN THE COURSE OF 1985. ERSBOLL (WITH DANISH PREOCCUPATIONS NO DOUBT IN MIND) HAS SUGGESTED TO THEM THAT THERE SHOULD BE A PREPATORY MEETING AT WHICH ALL MEMBER STATES WOULD SET OUT THEIR IDEAS AND THAT THE OUTCOME SHOULD NOT BE PREJUDGED AT FONTAINEBLEAU.

FCO ADVANCE TO:

FCO - PS, PS/MR RIFKIND, PS/PUS, TICKELL, RENWICK, WALL

CAB - WILLIAMSON, STAPLETON, DURIE, LAMBERT

TSY - UNWIN

NO.10- POWELL

FCO PASS SAVING - STRASBOURG WASHINGTON

BUTLER