

ANNOTATED AGENDABritish Text

This list of items for discussion follows the suggestions already exchanged. Under each item is indicated a list of subjects for consideration and a list of points on which conclusions might be recorded in any proces-verbal which might be produced as an agreed list of understandings.

I - The role and development of EuropeSubjects for consideration

~ The need and scope not only for enlarging and deepening the European Economic Community but also for developing a distinctively European personality in world affairs, with distinctively European policies which recognise and give expression to the common interests of Europe in economic and monetary affairs, in political affairs, in defence, and in relation to the developing countries.

The contribution which France and Great Britain can make to the development of these policies.

The working of the institutions of the EEC and their future development.

The possible development of institutions to facilitate co-operation in political questions and in defence.

The role of unanimity: the thesis that, as a matter of political reality, if the structure of a Community of nations and confidence in the development of co-operation are to be maintained, decisions need in practice to be reached by unanimous agreement on issues where vital national interests of one or more partners are at stake.

Proposed French Amendments

No proposals

Points on which understandings reached at the meeting will need to be recorded in the proces-verbal

The determination of France and Great Britain to contribute, through the enlarged and deepened Community, to growing European co-operation and the development of European policies, not only in economic matters but more generally.

View of the two governments on the future of the European institutions and their methods of work.

Agree in substance, but not in form.

Accept present practice.

These words would be an effort.

The practice of unanimity for EEC decisions on issues in which vital national interests are at stake.

II The future of sterlingSubjects for consideration

- (A) (i) The role of sterling at present and in an enlarged Community. (Past and expected future trends of the sterling balances; the Basle and Sterling Area Agreements).
- (ii) Possibilities and conditions precedent for gradual and orderly rundown of sterling balances after British entry into EEC.
- (B) (1) Possibility of early stabilisation of level of sterling balances:

The determination of France and Great Britain to contribute through an enlarged and deepened Community, to growing European co-operation and the development of European policies, principally in economic matters but also more generally.

View of the two governments on the future of the European institutions and their methods of work:

the Council of Ministers must continue to be the decision taking body, and this must be the point of departure for all institutional progress.

The two governments recognise that even where decisions fall to be taken by majority vote, discussion within the Council must continue until unanimous agreement has been achieved where very important interests of one or more partners are involved.

This paragraph becomes superfluous.

The role of sterling (past and expected future trends of the sterling balances: the Basle and Sterling Area Agreements).

Possibilities and conditions precedent for a gradual and orderly rundown of the sterling balances after British entry into the EEC.

(1) Possibility of stabilisation of the level of the sterling balances:

- (ii) Mechanism by which this might be brought about:
- (iii) Feasibility of quantified commitments in this context.

Mechanism by which this might be brought about.

Feasibility of quantified commitments in this context.

Points on which understandings reached at the meeting will need to be recorded in the proces-verbal

Recognition of the need to avoid imposing unacceptable burden on British resources and to avoid disturbances of markets and of the international monetary system.

The French delegation considers that in its view this statement of premises does not correspond to practical reality.

In the light of this need:

- (A) The possibility of, and conditions for, a gradual and orderly reduction in the sterling balances after entry.
- (B) In the short term, the possibility of stabilising sterling balances at their present level.

In order to bring the external characteristics of its currency into line with the currencies of its partners in the Common Market, Britain undertakes to see that the official sterling balances of the Sterling Area countries do not, at the time of accession, exceed the level reached on 30 June 1971.

Furthermore Britain undertakes to see that these balances decrease progressively and regularly by an annual minimum of 5 per cent as from 1973.

III Community Preference

Points on which understandings reached at the meeting will need to be recorded in the proces-verbal

Welcome for the recent agreement in Brussels.

Comment by the French delegation:

This point should also appear in the official communique.

IV Future of the French language in the institutions of the Community

The problem of safeguarding the use of French as a working language in the Community.

The problem of safeguarding the use of French as a working language in the Community.

British and French proposals.

British proposals.

Points on which understandings reached at the meeting will need to be recorded in the proces-verbal

To take note of intentions in this field.

To take note of proposals in this field.

V The Yaounde ConventionSubjects for consideration

The impact of the enlargement of the Community on the present signatories of the Yaounde Convention.

In particular the effects on the present associated states of the inclusion of additional associated states, particularly the Commonwealth African countries, when the convention is renegotiated in 1975.

Possibility of transitional arrangements to cushion the impact.

Points on which understandings reached at the meeting will need to be recorded in the proces-verbal.

Recognition of the need, in negotiating the new Yaounde Convention, to have regard to the implications for the interests of existing signatories, largely dependent on Community markets, as well as those of new signatories, some of whom are heavily dependent, on their exports of sugar and other basic commodities.

Points on which understandings reached at the meeting will need to be recorded in the proces-verbal

The President and the Prime Minister recognised the necessity in the negotiation of the new Yaounde Convention to have regard to the consequences of an enlargement of this Convention for the interests of the existing associates, especially with a view to safeguarding their acquired rights in the financial field. At the same time they recognise that the interests of all the countries which adhere to the future Convention must be safeguarded (as in agreement on sugar) and in particular the interests of countries which will be largely dependent on the markets of the enlarged Community for their exports of sugar and other primary products.

VI Decisions required for early success of the enlargement negotiationsSubjects for consideration

The remaining significant political and economic problems.

Conditions for satisfactory agreement on resolution of these problems.

New Zealand.

Community Finance: the British contribution during the approach to the application of the definitive system.

The Common Fisheries Policy.

The desirability of agreement on these main issues by the end of June.

Points on which understandings reached at the meeting will need to be recorded in the proces-verbal.

Agreement of the two governments to work for an early and successful conclusion to the enlargement negotiations.

Understandings about the nature of satisfactory agreements on New Zealand and Community Finance to be negotiated in Brussels.

Understandings about adaptation of the Fisheries Regulation to the needs and circumstances of an enlarged Community.

Need for an early agreement on these main issues.

Points on which understandings reached at the meeting will need to be recorded in the proces-verbal

The French Government is ready to consider an adaptation of the Fishery Regulation to the needs of an enlarged Community.

VII Implications of Enlargement:  
Subsidiary questions

Subjects for consideration

The relations of the enlarged Community with EFTA countries which are not seeking membership; and with other non-member West European countries.

The need in an enlarged Community for measures to develop genuinely European companies within the Community.

The co-ordination of policies by Member States towards inward investment, particularly in relation to the inducements offered to encourage such investment.

NOTE

Officials doubt whether the President and the Prime Minister will need to record conclusions on these matters.

The French delegation would like these points to be considered along with the others.