

Received from British Embassy  
1975

FRAME DEPTL

TO IMMEDIATE PARIS TELNO 574 OF 3 DECEMBER AND TO OTHER EEC POSTS  
AND WASHINGTON

420C

CONCLUSIONS OF THE EUROPEAN COUNCIL

THE FOLLOWING TEXTS WERE AGREED BY THE HEADS OF GOVT FOR RELEASE  
AFTER THE ROME MEETING. THE TEXT ON ENERGY IS BEING TELEGRAPHED  
SEPARATELY AND TO A WIDER DISTRIBUTION OF POSTS.

THE ECONOMIC AND SOCIAL SITUATION

THE EUROPEAN COUNCIL DISCUSSED THE DEVELOPMENT OF THE ECONOMIC  
AND SOCIAL SITUATION IN THE COMMUNITY AND AGAIN STRESSED THE NEED  
FOR CLOSE CO-ORDINATION TO BE MAINTAINED BETWEEN THE ECONOMIC  
POLICIES OF THE MEMBER STATES IN ORDER TO CONSOLIDATE THE ECONOMIC  
RECOVERY WHICH SEEMS TO HAVE BEGUN AND TO IMPROVE THE PRESENT LEVEL  
OF EMPLOYMENT.

THE EUROPEAN COUNCIL CONFIRMS THE BROAD LINES WHICH EMERGED  
AT THE JULY MEETING IN BRUSSELS AND WHICH WERE ECHOED IN THE  
DECLARATION ISSUED AFTER THE RAMBOUILLET SUMMIT, CONCERNING THE  
DESIRABILITY OF CLOSER INTERNATIONAL CO-OPERATION AND OF A  
CONSTRUCTIVE DIALOGUE AMONG ALL THE COUNTRIES CONCERNED TO OVERCOME  
CURRENT ECONOMIC PROBLEMS.

THE EUROPEAN COUNCIL HAS NOTED WITH SATISFACTION THE FOLLOW-UP  
TO THE TRIPARTITE CONFERENCE HELD IN BRUSSELS ON 18 NOVEMBER AND  
THE DECISION TO INSTRUCT THE COMMISSION OF THE EUROPEAN COMMUNITIES,  
IN CONTACT WITH BOTH SIDES OF INDUSTRY, TO STUDY THE MAIN PROBLEMS  
DISCUSSED AND TO PREPARE A REPORT WITH A VIEW TO A FUTURE MEETING OF  
THAT CONFERENCE.

COMMUNITY BUDGET AND FINANCING



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THE EUROPEAN COUNCIL CARRIED OUT A THOROUGH EXAMINATION OF THE PROBLEMS CONNECTED WITH THE SUPERVISION OF COMMUNITY EXPENDITURE AND THE COMMUNITY'S BUDGET POLICY.

THE COUNCIL AGREED ON THE NEED FOR MORE EFFECTIVE FINANCIAL CONTROL OVER COMMUNITY EXPENDITURE AND STATED THAT IT WAS IN FAVOUR OF THE SUGGESTIONS MADE BY THE HEADS OF GOVERNMENT OF THE UNITED KINGDOM AND THE FEDERAL REPUBLIC OF GERMANY BEING EXAMINED EXPEDITIOUSLY AND THE PROPOSALS OF THE COMMISSION.

THE PRESIDENT OF THE COUNCIL AND THE PRESIDENT OF THE COMMISSION WERE INVITED TO MAKE CONTACT WITH THE PRESIDENT OF THE EUROPEAN PARLIAMENT WITH A VIEW TO EXAMINING THE ROLE WHICH THAT INSTITUTION MIGHT PLAY IN CONTROLLING COMMUNITY EXPENDITURE BY MEANS OF A COMMITTEE OR SUB-COMMITTEE.

THE HEADS OF GOVERNMENT AGREED TO MAKE EVERY EFFORT TO ENSURE THE EARLY COMPLETION OF THE PROCEDURE FOR THE RATIFICATION OF THE TREATY SETTING UP A EUROPEAN COURT OF AUDITORS SIGNED ON 22 JULY LAST IN BRUSSELS, WITH A VIEW TO ENABLING THE COURT TO COMMENCE ACTIVITIES DURING 1976.

THE EUROPEAN COUNCIL NOTED WITH SATISFACTION THE INFORMATION COMMUNICATED BY THE PRESIDENT OF THE COMMISSION REGARDING THE STRENGTHENING WHICH HAD TAKEN PLACE TO DATE IN THE POWERS OF THE MEMBER OF THE COMMISSION RESPONSIBLE FOR THE BUDGET, WITHOUT PREJUDICE, HOWEVER, TO THE PRINCIPLE OF THE COLLECTIVE RESPONSIBILITY OF THE COMMISSION AS LAID DOWN IN THE TREATIES.

WITH REFERENCE TO THE AGREEMENT REACHED AT VILLA MARLIA AND FORMALLY ADOPTED BY THE COUNCIL MEETING IN BRUSSELS ON 5 AND 6 NOVEMBER REGARDING THE ANNUAL JOINT MEETING OF MINISTERS FOR FOREIGN AFFAIRS AND MINISTERS FOR FINANCE TO CARRY OUT AN OVERALL ASSESSMENT OF COMMUNITY BUDGET PROBLEMS, THE EUROPEAN COUNCIL CONSIDERS THAT DISCUSSIONS AT SUCH MEETINGS SHOULD CONCENTRATE ON GENERAL COMMUNITY POLICY, ENSURE GREATER CONSISTENCY AS REGARDS POLICIES TO BE FOLLOWED AND BUDGET DECISIONS AND ALLOW BETTER DISTRIBUTION OF COMMUNITY RESOURCES TO BE ACHIEVED BY MEANS OF THE GRADUAL INTRODUCTION OF MULTI-ANNUAL EXPENDITURE FORECASTS. THE DISCUSSION RELATING TO NEXT YEAR SHOULD TAKE PLACE, ON THE BASIS OF A COMMISSION COMMUNICATION, BEFORE THE END OF APRIL.



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THE EUROPEAN COUNCIL NOTED THE COMMISSION'S INTENTION TO SUBMIT TO THE COUNCIL PROPOSALS CONCERNING THE USE OF THE EUROPEAN UNIT OF ACCOUNT IN THE COMMUNITY BUDGET.

#### BUDGET OF THE COMMUNITIES FOR 1976

THE EUROPEAN COUNCIL HAS TAKEN NOTE OF THE VIEW EXPRESSED BY CERTAIN HEADS OF GOVERNMENT THAT, WHILE RESPECTING THE BUDGET PROCEDURE AND THE POWERS CONFERRED ON THE EUROPEAN PARLIAMENT BY THE TREATIES, THE COUNCIL (MINISTERS FOR FINANCE) SHOULD, AT ITS FORTHCOMING MEETING ON 3 DECEMBER, BE GUIDED BY CONSIDERATIONS OF ECONOMY WHEN EXAMINING THE AMENDMENTS MADE TO THE DRAFT BUDGET BY THE PARLIAMENT.

#### ELECTIONS TO THE EUROPEAN PARLIAMENT

THE EUROPEAN COUNCIL IS AGREED THAT ELECTIONS TO THE EUROPEAN PARLIAMENT SHALL TAKE PLACE ON A SINGLE DATE IN MAY OR JUNE 1978.

ANY COUNTRY WHICH AT THAT DATE IS UNABLE TO HOLD DIRECT ELECTIONS SHALL BE ALLOWED TO APPOINT ITS REPRESENTATIVES FROM AMONGST THE ELECTED MEMBERS OF ITS NATIONAL PARLIAMENT.

THE EUROPEAN COUNCIL NOTED MR WILSON'S STATEMENT THAT THE UNITED KINGDOM GOVERNMENT REQUIRED A FURTHER PERIOD FOR INTERNAL CONSULTATIONS BEFORE ADOPTING A FINAL POSITION REGARDING THE DATE FIXED, AND THE CONDITIONS SET BY MR JORGENSEN FOR DIRECT ELECTIONS TO THE EUROPEAN PARLIAMENT IN DENMARK.

THE EUROPEAN COUNCIL INSTRUCTED THE COUNCIL OF MINISTERS TO CONTINUE EXAMINATION OF THE PROBLEMS ENCOUNTERED AND TO SUBMIT A REPORT WHICH WILL ENABLE THE TEXT OF THE CONVENTION ON ELECTIONS TO THE EUROPEAN PARLIAMENT TO BE FINALIZED AT THE NEXT EUROPEAN COUNCIL.

#### PASSPORT UNION

THE EUROPEAN COUNCIL IS AGREED ON THE INTRODUCTION OF A UNIFORM PASSPORT WHICH MAY BE ISSUED AS FROM 1978.



HO THAT END, THE EUROPEAN COUNCIL ASKS THE COUNCIL  
(MINISTERS FOR FOREIGN AFFAIRS) TO RESOLVE ALL OUTSTANDING  
QUESTIONS IN THIS AREA.

THE EUROPEAN COUNCIL ALSO ASKS THE COUNCIL (MINISTERS  
FOR FOREIGN AFFAIRS) TO CONTINUE WORK ON THE ABOLITION OF  
FRONTIER CONTROLS AND ON THE HARMONIZATION OF CONDITIONS OF  
ENTRY INTO AND ABODE IN THE MEMBER STATES.

COMMUNICATION FROM MR TINDEMANS  
ON THE ACCOMPLISHMENT OF HIS MISSION

THE EUROPEAN COUNCIL HEARD A STATEMENT BY MR TINDEMANS,  
PRIME MINISTER OF BELGIUM, ON THE ACCOMPLISHMENT OF HIS MISSION  
OF PREPARING A REPORT ON EUROPEAN UNION. AS AGREED, A COPY OF THIS  
REPORT WILL BE SENT TO ALL GOVERNMENTS BEFORE THE END OF THE YEAR.

OTHER BUSINESS

QUOTE THE EUROPEAN COUNCIL ADOPTED A PROPOSAL BY THE  
PRIME MINISTER OF THE UNITED KINGDOM THAT COMMUNITY MINISTERS  
FOR THE INTERIOR (OR MINISTERS WITH SIMILAR RESPONSIBILITIES)  
SHOULD MEET TO DISCUSS MATTERS COMING WITHIN THEIR COMPETENCE,  
IN PARTICULAR WITH REGARD TO LAW AND ORDER. UNQUOTE

COMMON AGRICULTURAL POLICY

THE EUROPEAN COUNCIL TOOK NOTE OF THE REPORT ON THE  
STOCKTAKING OF THE COMMON AGRICULTURAL POLICY PREPARED BY THE  
COUNCIL (MINISTERS FOR AGRICULTURE) AND INVITED THE LATTER TO  
CONTINUE ITS DETAILED EXAMINATION OF ISSUES RAISED.

CALLAGHAN