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PRIME MINISTER

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European Council Meeting in Brussels
12 - 13 July, 1976

I attach the folder of briefs for the European Council on Monday and Tuesday, amended and up-dated since your briefing meeting, together with certain additional papers which you should see.

Direct Elections

The folder now contains the addendum which you saw at the briefing meeting, summarising the various proposals for the allocation of seats, which is now officially before the European Council. There is also a second addendum suggesting talking points in response to objections which the Danes are certain to voice at the meeting.

Following the abandonment of yesterday's business in the House of Commons, arrangements have been made to debate Direct Elections very late on Monday night. A note by Ken Stowe is at Flag A.

The President of the European Movement has sent you a message (text in French at Flag B) pressing for agreement on Direct Elections at next week's meeting.

JET

In addition to the brief (No.6) you may like to see the exchange of telegrams at Flag C about French attitudes.

Energy/MSP

The Energy brief (No.7) contains at annex A and B two formulae on energy policy (including MSP) for discussion with the French

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at official level in Brussels. Mr. Peter Le Cheminant of the Department of Energy will be available in Brussels to take part in any discussions.

CFP

The draft statement (annex D to Brief No.8) is being drawn to Mr. Crosland's attention, as you requested. You will remember that it was suggested at the briefing meeting that, at an early point on Monday afternoon, you might give notice to your colleagues that you would hand them this draft before the end of Monday's meeting, with a request that they should reflect on it in time for discussion the following morning.

Presidency of the Commission

~~The~~ Briefing has been provided (No.10a) together with an addendum summarising the reactions received from Posts to our formula. I understand from Ken Stowe that you wanted to talk to Ron Hayward about certain aspects of this question, but we have discovered that Ron Hayward is away in the United States for another two weeks. You will also remember that you said you would like to talk to Mr. Jenkins before going to Brussels, and he will be available in the Home Office on Monday morning (unless you wanted to telephone him before then).

Italy

A brief has been provided (No.13) on the Italian political situation, but you will also wish to see the separate papers which I am marking to you in the box about the meeting in Paris on Thursday to discuss economic assistance for Italy.

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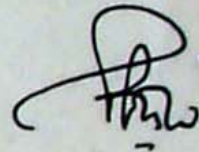
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Rhodesia

There is no brief on Rhodesia in your folder, but I have marked to you separately in the box some papers reporting on Mr. Crosland's talks with Dr. Kissinger in Washington, including a brief for your use with President Giscard and Chancellor Schmidt.

General

I also attach a selection of telegrams at Flag D; the meeting between Chancellor Schmidt and President Giscard in Paris (3 telegrams); Flag E; a report on the French attitude to the European Council; and Flag F; two telegrams about Mr. Van der Stoel's speech to the European Assembly on 7 July.



[G + H] P.S. Since the above was drafted, I have received two background notes on steel and on butter/margarine, which you may wish to see.

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