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Foreign and Commonwealth Office

London SW1A 2AH

9 May 1980

(2)

Prime Minister.

Dear Michael,

The attached background notes makes it clear how significant the Luxembourg compromise was in our accession negotiations.

LUXEMBOURG COMPROMISE

I enclose a note, as requested by the Prime Minister, on how the Luxembourg Compromise was handled during the accession negotiations.

I am copying this letter to David Wright in the Cabinet Office.

Yours sincerely,

M. J. Richardson

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THE LUXEMBOURG COMPROMISE

1. The Luxembourg Compromise of 28/29 January 1966 on majority voting is not a legal document but a political understanding. It was not therefore formally discussed during the accession negotiations and there is no reference to it in the Treaty of Accession. The Law Officers have advised that it could not be relied on in the event of a determined attempt to revert to the majority voting rules of the Treaty. Nevertheless, the principle of taking decisions by consensus where important national interests are at stake became clearly established in the Community following the conclusion of the Compromise and this was recognised in the following way during the accession negotiations.

2. When Mr Heath met M Pompidou in Paris on 20 and 21 May 1971, they reached agreement that questions affecting vital interests of Member States should not be decided by majority vote. In his statement to the House of Commons on the outcome of the talks on 24 May 1971 (Hansard Volume 818, column 32) Mr Heath stated that

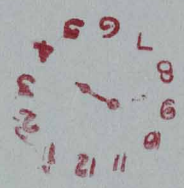
" we were in agreement that the maintenance and strengthening of the fabric of cooperation in the Community requires that decisions should in practice be taken by unanimous agreement when vital national interests of any one or more Members are at stake."

It is not surprising that this agreement was with the French alone, as no other Community member has explicitly agreed to this interpretation of the Compromise.

3. The White Paper on the Terms of Accession (" The United Kingdom and the European Community" , cmd 4715) stated that

" where Member States' vital interests are at stake, it is Community practice to proceed only by unanimity."

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