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FM LUXEMBOURG

TO IMMEDIATE FCO

TELNO 85

OF 252140Z APRIL 88

INFO IMMEDIATE UKREP BRUSSELS, ATHENS, ANKARA, BONN

INFO ROUTINE BRUSSELS, COPENHAGEN, THE HAGUE, ROME, DUBLIN, PARIS

INFO ROUTINE ATHENS, LISBON, MADRID

FRAME EXTERNAL FROM UKREP BRUSSELS

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FOREIGN AFFAIRS COUNCIL, LUXEMBOURG, 25 APRIL 1988

EC/TURKEY ASSOCIATION COUNCIL: INTERIM REPORT

SUMMARY

- 1. THE EC REACHED AN AGREED POSITION FOR THE ASSOCIATION COUNCIL AFTER AN AMENDMENT HAD BEEN MADE TO THE PRESIDENCY'S INTRODUCTORY STATEMENT INDICATING THAT CYPRUS WAS AN ISSUE WHICH AFFECTED RELATIONS BETWEEN THE EC AND TURKEY AND AFTER GREECE HAD MADE A UNILATERAL STATEMENT FOR THE FAC MINUTES ON THE 4TH FINANCIAL PROTOCOL.
- 2. BUT TURKEY REFUSED TO TAKE PART IN THE ASSOCIATION COUNCIL IF CYPRUS WAS REFERRED TO IN THESE TERMS. WHEN THEY FAILED TO PERSUADE GREECE TO ACCEPT ANY MODIFICATION TO THE AGREED COMMUNITY POSITION, THE PRESIDENCY WERE FORCED TO POSTPONE THE ASSOCIATION COUNCIL. THE DINNER WILL, HOWEVER GO AHEAD AS PLANNED AND A DECISION WILL BE TAKEN ON RE SCHEDULING THE ASSOCIATION COUNCIL.
 - 3. FURTHER REPORT TO FOLLOW IN LIGHT OF DEVELOPMENTS.

DETAIL

4. THE GREEK RESERVE ON THE EC POSITION FOR THE ASSOCIATION COUNCIL WAS DISCUSSED OVER LUNCH. PANGALOS (GREECE) CLAIMED THAT THE REFERENCES TO HUMAN RIGHTS IN THE PRESIDENCY'S INTRODUCTORY STATEMENT WERE RATHER FEEBLE. HE PROPOSED THAT THE REFERENCE TO CYPRUS AND HUMAN RIGHTS IN PARA 5 OF THE STATEMENT SHOULD BE SUPPLEMENTED BY THE PHRASE 'TWO ISSUES WHICH AFFECT RELATIONS BETWEEN THE EC AND TURKEY'. GREECE ALSO WISHED TO MAKE A UNILATERAL STATEMENT FOR THE FAC MINUTES AS FOLLOWS:

'THE GREEK DELEGATION STATES THAT, WITH REGARD TO THE 4TH FINANCIAL

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PROTOCOL, THE WITHDRAWAL OF ALL TURKISH FORCES FROM CYPRUS AND THE RESTORATION OF HUMAN RIGHTS IN TURKEY ARE A PRECONDITION FOR GREEK APPROVAL'.

- 5. GEENSCHER (GERMAN PRESIDENCY) SAID THAT HUMAN RIGHTS WERE ALREADY ADEQUATELY COVERED IN PARA 2 OF THE INTRODUCTORY STATEMENT. HE THEREFORE SUGGESTED THAT THE REFERENCE TO HUMAN RIGHTS IN PARA 5 SHOULD BE OMITTED. PANGALOS SAID THAT HE COULD AGREE TO THIS PROVIDED THAT HIS PROPOSED ADDITION CONCERNING CYPRUS WAS RETAINED. GENSCHER AGREED. THERE WERE NO COMMENTS FROM OTHER MEMBER STATES.
- 6. DISCUSSION OF THIS ITEM ON THE FORMAL FAC AGENDA WAS CORRESPONDINGLY BRIEF. PANGALOS READ OUT THE GREEK MINUTE ENTRY AS IN PARA 4 ABOVE AND GENSCHER READ OUT THE REVISED TEXT OF PARA 5 OF THE INTRODUCTORY STATEMENT. PINHEIRO (PORTUGAL) REMINDED THE COMMISSION THAT THEY HAD AGREED TO PRODUCE A STUDY OF THE EFFECTS OF CONCESSION TO THIRD COUNTRIES ON THE COMMUNITY'S TEXTILE INDUSTRY. THIS WAS AN URGENT PROBLEM. GENSCHER TOOK NOTE AND THE EC POSITION WAS AGREED.
- 7. THE ASSSSOCIATION COUNCIL DID NOT, HOWEVER, TAKE PLACE AS SCHEDULED AT 1830 HOURS INSTEAD THE FAC RE-CONVENED AT 2030 HOURS AND GENSCHER REPORTED THAT THE TURKISH DELEGATION HAD DISCOVERED FROM PRESS REPORTS THAT THE EC INTENDED TO INCLUDE IN ITS INTRODUCTORY REMARKS THE STATEMENT THAT CYPRUS WAS AN ISSUE WHICH AFFECTED EC/TURKEY RELATIONS. THEY WERE NOT PREPARED TO TAKE PART IN THE ASSOCIATION COUNCIL IN THOSE CIRCUMSTANCES. IN THEIR VIEW THIS WAS WORSE THAN THE POSITION IN 1986 WHEN THE COMMUNITY HAD BEEN DIVIDED 11 TO ONE. THE PRESIDENCY HAD POINTED OUT THAT THIS WAS NOT A JOINT POSITION. BUT THE TURKS COULD ONLY ACCEPT A REFERENCE TO CYPRUS AS ONE OF A NUMBER OF ISSUES, AND THE STATEMENT THAT THESE WERE ISSUES OF INTEREST TO THE TWO SIDES. GENSCHER SAID THAT HE HAD BEEN VERY RELUCTANT TO MAKE THE CHANGE AT LUNCH TIME. HE WOULD BE HAPPY TO REVERT TO THE ORIGINAL PRESIDENCY TEXT BUT INVITED OTHERS TO COMMENT.
- 8. I APOLOGISED FOR THE FACT THAT PARLIAMENTARY BUSINESS HAD FORCED YOU TO RETURN TO LONDON. BUT YOU HAD INSTRUCTED ME TO SAY THAT WE HAD HAD NO PROBLEMS WITH THE ORIGINAL TEXT AND HAD ONLY ACCEPTED THE AMENDMENT BECAUSE IN OUR VIEW IT MADE NO MATERIAL DIFFERENCE. PANGALOS SAID THAT THE REFERENCE TO CYPRUS AFFECTING EC/TURKEY RELATIONS WAS SIMPLY A DESCRIPTION OF THE SITUATION AS IT WAS. THEY COULD NOT ACCEPT ITS DELETION SIMPLY BECAUSE THE TURKS OBJECTED. THEY COULD ALWAYS MAKE THEIR OWN STATEMENT.

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- 9. NIEMAN (NETHERLANDS) SUGGESTED THAT 'OF INTEREST' COULD BE SUBSTITUTED FOR 'AFFECTS' AND 'THE TWELVE' FOR 'THE COMMUNITY'. PANGALOS REPEATED THAT HE COULD NOT ACCEPT THE SMALLEST AMENDMENT. RUGGIERO (ITALY) SUGGESTED THE PROBLEM MIGHT BE RESOLVED IF THE TEXT WERE REARRANGED SLIGHTLY TO MAKE IT CLEAR THAT A NUMBER OF ISSUES, EG THE GULF WAR, EAST/WEST ETC AND NOT JUST CYPRUS AFFECTED EC/TURKEY RELATIONS. AGAIN PANGALOS INTERVENED TO SAY THAT HE COULD NOT ACCEPT ANY AMENDMENT IN RESPONSE TO TURKISH PRESSURE. A POINT OF PRINCIPLE WAS AT STAKE. THE EC COULD NOT CHANGE AN AGREED POSITION SIMPLY BECAUSE OF PRESSURE FROM A THIRD COUNTRY.
- 10. GENSCHER THEN TRIED A TOUR DE TABLE. BELGIUM, UK, NETHERLANDS, ITALY, IRELAND AND GERMANY SAID THAT THEY COULD ACCEPT THE ORIGINAL PRESIDENCY VERSION OR THE AMENDMENT AS PROPOSED BY ITALY. PORTUGAL, LUXEMBOURG AND FRANCE SAID THAT THEY COULD ACCEPT THE ORIGINAL VERSION BUT AGREED WITH GREECE THAT TO CHANGE THE TEXT IN THE FACE OF TURKISH PRESSURE WOULD SET A BAD PRECEDENT. DENMARK AND SPAIN APPEARED TO SIT ON THE FENCE.
- 11. GENSCHER MADE A FURTHER ATTEMPT TO PERSUADE GREECE TO ACCEPT THE ITALIAN AMENDMENT BUT PANGALOS WAS IMMOVABLE AND NOTED THAT THREE OTHER DELEGATIONS HAD OPPOSED A CHANGE IN THE COMMUNITY POSITION. TINDEMANS (BELGIUM) THEN SUGGESTED THAT THE PRESIDENCY SHOULD SPEAK ON ITS OWN AUTHORITY AS IN 1986, WHILE GENSCHER PROPOSED THAT HE READ OUT THE FIRST FOUR PARAGRAPHS OF THE INTRODUCTORY STATEMENT AND OMIT THE 5TH PARA ALTOGETHER. I SUPPORTED THIS SUGGESTION, POINTING OUT THAT THE 5TH PARA DEALT WITH EPC MATTERS AND WAS NOT PART OF THE COMMON COMMUNITY POSITION FOR THE ASSOCIATION COUNCIL. SCHEER (FRANCE) AGREED AND SUGGESTED THAT THE DINNER BE DROPPED AS WELL. WITH INCREASING IMPATIENCE PANGALOS REJECTED BOTH IDEAS. THE EC'S CREDIBILITY WAS AT STAKE. THE RESPONSIBILITY FOR ANY FAILURE TO HOLD THE COUNCIL RESTED WITH TURKEY. TYGESEN (DENMARK) TRIED ANOTHER DRAFTING AMENDMENT. PANGALOS ASKED HOW HE COULD BE EXPECTED TO GO BACK TO ATHENS SAYING THAT HE HAD AGREED TO CHANGE A COMMUNITY POSITION UNDER PRESSURE FROM THE TURKS.
- 12. FINALLY GENSCHER SUGGESTED THAT THE DINNER AT LEAST SHOULD GO AHEAD. THERE WERE NO OBJECTIONS TO THIS. AFTER CONSULTING THE TURKISH DELEGATION, HE RETURNED TO THE COUNCIL TO ANNOUNCE THAT THE ASSOCIATION COUNCIL WOULD NOT TAKE PLACE THAT DAY, BUT THAT THE DINNER WOULD GO AHEAD AND THAT A DECISION WOULD BE TAKEN ON SETTING A NEW DATE FOR THE ASSOCIATION COUNCIL. HE WAS CAREFUL TO LEAVE OPEN

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WHETHER THIS WOULD BE TOMORROW (26 APRIL) OR AT SOME LATER DATE.

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