Сору FEF/466

23rd November, 1961.

CONFIDENTIAL

## MEMORANDUM

The negotiations between the United Kingdom and the Community are going very slowly. Indeed, in a real sense, they have not started yet. As the Lord Privy Seal put it, all the problems remain for solution. It is not intended to deal with any agricultural questions until the New Year, yet it is in this field that all the major Commonwealth problems lie.

- 2. There is no visible change in the French position. It can still be described as acquiescence in the possibility that the negotiations may succeed and the United Kingdom join the Community; there is, as yet, no sign of the French Government positively wanting the negotiations to succeed. Given the nature of the problems before the negotiators, it is certain that no solution will be findable without positive action by the French Government.
- 3. It is therefore certain that no solution to the Commonwealth problems will be in sight before the end of February at the earliest. Indeed, it is very probable that the situation will still be obscure by Easter.
- 4. In these circumstances, it seems very doubtful whether any good purpose would be served by the three Neutral countries deploying their negotiating position in public in the near future. There is no advantage to be gained by taking anything but the most formal steps until it is clear that the British negotiations can succeed. The audience will not become receptive until that point.
- 5. It is wise also to have in mind the distinct possibility that the United Kingdom negotiations will not succeed. In those circumstances, it seems very doubtful whether any useful purpose would have been served by the Neutrals disclosing their negotiating position.



Whatever they said would surely be embarrassing to them at some later stage, when negotiations again become possible, and perhaps on a wholly different basis. If the United Kingdom negotiations do not succeed, would it not be better if the Neutrals had not indicated in any way the basis on which they thought an association between themselves and the Community could have been worked out, and certainly not to have disclosed any of the points on which they would have been prepared to envisage some modification of the position they had hitherto taken in these matters.

- 6. This does not mean that there is any disadvantage in making formal application to the Community for an association; indeed, if a much longer period were to elapse before the other Members of EFTA had taken any overt steps, this could cast doubt on the solidity of the support of the EFTA Governments for the policy set out in the London and Geneva declarations.
- 7. The fact that it appears undesirable for the Neutrals to disclose their negotiating position at all until there are clearer signs that the United Kingdom can succeed, does not mean that the preparation of that negotiating position should be delayed. On the contrary, the slow progress of the United Kingdom negotiation at present, would make it all the more important for the Neutrals to be ready to move very fast if the United Kingdom position were suddenly to clear. And that preparation of the negotiating position, in particular the elaboration of institutional solutions, probably needs concerted thinking now if a situation in which all three had elaborated their own, probably discordant positions, is to be avoided. But unless there is agreement that whatever is thought out and elaborated in concert will not be disclosed in any way until the time for it is clearly ripe in the judgment of all three, tha actual process of working together now may be frustrated.

8. What seems to be called for is a clear agreement between the three Neutrals that once the letters of application have been despatched, no further overt move will be made by any one of the Neutrals with a view to accelerating any part of the negotiation, including the first presentation of the Neutral case, until it is clear that the United Kingdom / Community negotiations have advanced sufficiently far to make a successful conclusion of those negotiations on the Commonwealth and agricultural points a political certainty, and that they would resist any overtures from the Community for premature opening of substantive negotiation until that time.

F. E. F.