

OPS
PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T82/50

Subject Euro Pol #7 Community Budget
cc Euro Pol #3 Euro Council Mtg, Luxembourg.

T82/50
ZZ 151237Z
BONN FROM LONDON
SECRET GOVERNMENTAL 0007
BT
MESSAGE TO CHANCELLOR SCHMIDT

DEAR HELMUT,

WE ARE NOW LESS THAN TWO WEEKS AWAY FROM THE POSTPONED MEETING OF THE EUROPEAN COUNCIL ON 27/28 APRIL. I ATTACH, AS I AM SURE YOU DO, THE VERY GREATEST IMPORTANCE TO THAT MEETING REACHING A CLEAR AND DURABLE SOLUTION TO THE PROBLEM OF THE UNITED KINGDOM'S NET BUDGET CONTRIBUTION AND AT THE SAME TIME MAKING PROGRESS ON THEIR MERITS WITH OTHER MAJOR ISSUES OF COMMUNITY POLICY. IN THE INCREASINGLY UNCERTAIN INTERNATIONAL CLIMATE, IT BECOMES ALL THE MORE NECESSARY FOR US TO REACH EQUITABLE SOLUTIONS TO THESE INTERNAL COMMUNITY ISSUES.

THE PREPARATIONS FOR OUR MEETING ARE, AS THEY SHOULD DO, PROCEEDING IN THE APPROPRIATE COMMUNITY INSTITUTIONS. THERE WILL BE MEETINGS NEXT WEEK OF THE FOREIGN AFFAIRS, FINANCE AND AGRICULTURE COUNCILS AND I HOPE THESE WILL LEAD TO SOME FURTHER CLARIFICATION OF THE ISSUES AND, WHERE POSSIBLE, TO PROGRESS TOWARDS SOLUTIONS. I ALSO FIRMLY SUPPORT THE INITIATIVE OF THE PRESIDENCY TO SUMMON AN AD HOC GROUP OF OFFICIALS TO BEGIN WORK ON COMMUNIQUE LANGUAGE. THE FIRST MEETING OF THAT GROUP ON 2 APRIL WAS USEFUL. A FURTHER MEETING IS FORESEEN FOR 19 OR 21 APRIL. I WOULD PREFER THE EARLIER OF THESE TWO DATES TO ALLOW MORE TIME FOR ANOTHER MEETING THE FOLLOWING WEEK IF THAT WERE THOUGHT APPROPRIATE.

THE MAIN DECISIONS WILL NO DOUBT REMAIN FOR US TO TAKE AT OUR MEETING. BUT SUCCESS WILL DEPEND VERY MUCH ON CAREFUL PREPARATION AND ON A CLEAR UNDERSTANDING BY EACH OF THE POLITICAL IMPERATIVES UNDER WHICH WE ALL OPERATE. WITH THIS IN MIND, I HAVE ASKED SIR DONALD MAITLAND, FORMERLY THE UK PERMANENT REPRESENTATIVE IN BRUSSELS AND NOW DEPUTY PERMANENT UNDER SECRETARY AT THE FOREIGN AND COMMONWEALTH OFFICE, TO VISIT BONN, ROME AND PARIS THIS WEEK AS MY PERSONAL REPRESENTATIVE. I HOPE YOU WILL FIND SUCH A VISIT WELCOME AND WILL BE ABLE TO ARRANGE FOR HIM TO MEET HERR GENSCHER. YOU MAY ALSO THINK IT WOULD BE USEFUL FOR SIR DONALD TO MEET A SENIOR MEMBER OF YOUR OWN STAFF CONCERNED WITH THE PREPARATION OF THE EUROPEAN COUNCIL. I NEED HARDLY ADD THAT THE USEFULNESS OF THIS CONTACT WILL DEPEND ON ITS CONFIDENTIALITY.

I THINK THIS IS THE BEST WAY TO FOLLOW UP THE SUGGESTION YOU PUT TO ME AT CHEQUERS AND ABOUT WHICH I SENT YOU A MESSAGE ON 2 APRIL, WITHOUT CUTTING ACROSS THE ITALIANS' EFFORTS.

YOURS SINCERELY
MARGARET THATCHER

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