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Ref. A0288

MR. ALEXANDER

Prime Minister

Apex Annexes A+B?

Yes not

Paul

Visit by the Prime Minister to Rome: 4th-5th October 1979

The Prime Minister is to visit Rome for talks with Signor Cossiga on 4th-5th October. Lord Carrington proposes to accompany her, subject to his commitments at the Rhodesia Conference. On the Italian side, besides Signor Cossiga, we expect Signor Malfatti, the Foreign Minister, to participate and perhaps Signor Pandolfi, the Treasury Minister.

2. The Italians have suggested that the Prime Minister should arrive in Rome on 4th October in time for a tete-a-tete with Signor Cossiga in the early evening, followed by an Italian Government dinner. They envisage a full meeting of the two sides on the morning of 5th October. After that the Prime Minister will lunch privately with the Ambassador before her departure.

3. This will be the first meeting between Mrs. Thatcher and the new Italian Prime Minister. Apart from establishing a cordial working relationship, our main aim will be to take full advantage of the Italian wish to maintain some sort of tactical alliance with us on Community questions, especially on the budget, in the run-up to the Dublin meeting of the European Council at the end of November (there will be a council meeting of the Finance Council on 15th October). The Italians also attach importance to enlisting our support on certain other Community issues.

4. The Italians have not yet proposed an agenda. I suggest however that the following subjects should be proposed to them:

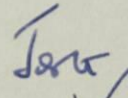
- A Community Issues
 - (i) Budget/Convergence
 - (ii) CAP
 - (iii) Other Community Issues
- B TNF Modernisation ?
- C East-West Relations
- D Bilateral Questions

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5. Neither energy questions nor the international financial and economic scene are included. It is important that Signor Cossiga should be encouraged to get down straightaway to discuss the budgetary issue and that time should not be taken up with a discussion of international economic matters first. British and Italian Ministers are in close and regular contact on these questions and the next Economic Summit at Venice next year will still be some nine months ahead. As regards energy, the meeting between the two Prime Ministers follows that of the Summit Personal Representatives on 26th September, and precedes that of Energy Ministers on 9th November. A defensive brief will be provided in case the Italians should raise the question of national oil import targets. As regards other issues, it will be particularly valuable to speak to the Italians about TNF modernisation. ?

6. I attach draft objectives for the visit at Annex A and a suggested list of briefs at Annex B. Given the shortness of the visit it is not proposed to brief on the whole range of international issues, though the Prime Minister will of course if necessary be briefed on Rhodesia, in the light of developments at the Conference just before she goes.

7. I should be grateful if you would let me know if the Prime Minister is content with the objectives at Annex A as a basis for the briefing, and with the list of briefs at Annex B.



JOHN HUNT

24th September, 1979