



10 DOWNING STREET

*From the Private Secretary*SECRET AND PERSONALSIR ROBERT ARMSTRONGSUPPLY BY FRANCE OF EXOCET TO PERU

You were present at the end of the lunch for President Mitterrand today when the Prime Minister raised this subject. Mrs. Thatcher said that we understood that Peru had ordered EXOCET missiles from France and we hoped that none would be shipped before the conflict with Argentina was over.

President Mitterrand said that Peru had been very insistent in its request for implementation of the contract. He had decided that the implementation of the contract should be delayed for as long as necessary. In explanation to the Peruvians, technical reasons had been advanced for the delay. For that reason, he asked that what he had said should be treated in total confidence.

In thanking him for his decision, the Prime Minister agreed that we would fully respect President Mitterrand's confidence.

The Prime Minister subsequently agreed that OD(SA) should be informed orally tomorrow of what had passed. You may like to remind the Prime Minister of this during OD(SA).

I am not copying this minute to anyone.

A. J. COLES

17 May 1982