

Envo P.9.



Foreign and Commonwealth Office
London SW1A 2AH

4 September 1980

Dear Michael,

*Discussed with P.O. Chancellor
Schmidt has also declined to see
A. Galley. f.c. And 5/9*

COCOA: FRENCH DEMARCHE

As you know, the French Ambassador has written to Sir Michael Palliser requesting that the Prime Minister receive a personal representative of President Giscard, M. Galley, French Minister of Cooperation, to discuss the Community's position in the forthcoming negotiations for a third International Cocoa Agreement.

The French are concerned that the Community will be prevented from playing a constructive part in the negotiations because of differences between the Germans and ourselves, on one side, and the French and Commission on the other. The French interest derives from their close political and economic links with the Ivory Coast, which is a major cocoa producer, as well as concern about the implications for West Africa generally of a sharply declining cocoa price. While the French are no doubt genuine in their desire for a new agreement, they may also wish to lay elsewhere the blame for any breakdown in the negotiations.

These cocoa negotiations are taking on an increasingly political dimension and are spilling over into our bilateral relations not only with the French but also with the cocoa producers. Nevertheless,
/we

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we doubt whether it would be appropriate for the Prime Minister to see such a junior French Minister on this matter. (We understand that Chancellor Schmidt has not yet replied but that his staff believe that he would find it difficult to accede to a similar request.)

Our view is that Sir Michael Palliser should explain tactfully to the French Ambassador when he sees him next Friday that, because of her many absences from London during this period, the Prime Minister would find it difficult to see M. Galley but has asked the Lord Privy Seal to see him on her behalf. Our Ambassador in Paris sees no difficulty in explaining this to the French. In view of our telephone conversation I will assume, unless I hear from you, that the Prime Minister is content with this.

I am sending copies of this letter to Garth Waters in the MAFF and Stuart Hampson in the DOT.

Yours ever
Stephen Gomersall

S J Gomersall