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Subject: 05/00 P01 Budget
#21



10 DOWNING STREET

THE PRIME MINISTER **PRIME MINISTER'S**

7 July 1983

PERSONAL MESSAGE

SERIAL No. T.100/83

Dear Chancellor,

President Mitterrand sent me a copy of his letter of 30 June to you about the recent European Council meeting in Stuttgart.

His letter sets out a number of unilateral interpretations by the French delegation of the text on compensation to the United Kingdom for 1983 in the conclusions of the European Council in Stuttgart. These unilateral interpretations and statements of intention do not of course affect in any way the validity of the text that was jointly agreed and subsequently published by the German Presidency, nor the need to implement it.

So far as the question of 'overpayments' in 1980 and 1981 is concerned, you will recall that in accepting the sum of 750 MECU net in respect of 1983, I stated my understanding that this arrangement dealt fully with the 'overpayment' problem.

I am sending copies of this letter to President Mitterrand and to our other colleagues on the European Council.

Yours sincerely

Margaret Thatcher

His Excellency Herr Dr. Helmut Kohl

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