

*done on Thurs
has it been?*

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PRIME MINISTER

ANGLO-GERMAN BILATERAL SUMMIT: 22 APRIL

Chancellor Kohl is coming to Chequers on Friday 22 April for the next Summit. A minute by Sir Robert Armstrong is attached.

It will be helpful to have your decisions now on various points.

It has been suggested, principally by Sir Jock Taylor, that on this occasion the Chancellor might be invited to spend a night at Chequers. This could be the Thursday night (before the bilateral) or the Friday night. I have some reservations. You have seen a lot of Kohl recently and can almost certainly cover all the ground on Friday. But he might be pleased by a special gesture - he may well be the key factor in whether or not we get a satisfactory Budget solution at Stuttgart in June.

Do you want to invite Chancellor Kohl to stay the night?
On Thursday (before the talks)?
Or Friday?

The Germans have suggested that they might bring not just the usual Ministers (Foreign Affairs, Finance, Economy and Defence) but others who would find it useful to get to know their British opposite numbers. The candidates are: Research and Technology, Overseas Development and Agriculture. Do you have any objection?

The main subjects for discussion are likely to be:

- (a) the world economy and Williamsburg;
- (b) EC matters, especially the Budget;
- (c) defence.

I think it would be worth suggesting that the discussion of Williamsburg should be conducted with Foreign Ministers, Finance

/ Ministers

Ministers and perhaps the two personal representatives present.
One possibility would be to reserve lunch on Friday for this.

A.S.C.

30 March 1983



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MR COLES

Anglo-German Consultations: 22 April 1983

The next in the series of Anglo-German consultations between the Prime Minister and Chancellor Kohl will be held at Chequers on 22 April. The purpose of this minute is to initiate the planning and briefing for the meeting.

2. It has been agreed between ourselves and the Foreign and Commonwealth Office that the new arrangements for preparing and briefing should be introduced in the preparations for this meeting. The interdepartmental co-ordinating meeting under the Chairmanship of Mr Goodall will discuss the draft "general brief" (which replaces the steering brief) and the summary of subject briefs. The subject briefs will take on a new form including a short initial paragraph setting out the objective or objectives. This will bring the practice for briefs for bilateral meetings into line with those for European Councils. If you are content, I propose that we should aim to submit the briefs to the Prime Minister on Friday 15 April in time for her to see them over the weekend prior to the briefing meeting on Wednesday 20 April.

3. Chancellor Kohl will come to Chequers with his reputation greatly enhanced by his victory in the election on 6 March. His Government will have been sworn in less than a month before, but we are not anticipating a large number of Ministerial changes, and the team at Chequers should therefore be fairly experienced. The new Government's policy statement is not expected until the week after the meeting, but the main lines of Chancellor Kohl's domestic and foreign policies are well known.

4. Chancellor Kohl will be considering which Ministers should attend these consultations as soon as the new Government is installed, which should be on 30 March. As we are hosts on this occasion, it might be appropriate to say which German Ministers we should like to invite, and there would be advantage in feeding in our ideas



before the Germans firm up theirs. The Germans have suggested that it might be a good occasion for them to bring not only the traditional group of Ministers (foreign affairs, finance, economy, defence) but others in whose areas of responsibility there is Anglo-German interest and who should get to know their British opposite numbers: they suggest research and technology and overseas development.

5. The number of Ministers to be invited will have to take into account the practicalities of the programme. A single day, 22 April, is at present set aside for the talks. This need not inhibit us from inviting a large German team. There might for example be a plenary dinner after which the other German Ministers could leave for Bonn leaving the Chancellor and his staff behind until the following morning. Since this will be the first meeting after the installation of a newly elected Federal Government it may be a good idea to extend the invitation slightly beyond the traditional form, so as to involve new German Ministers and provide for discussion of topical subjects.

6. The British team will include the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer and the Secretary of State for Defence. In addition, the Secretaries of State for Industry, Trade and Energy and the Minister of Agriculture may well need to be invited.

7. The main areas for discussion are likely to be:

(i) The Outlook for the World Economy and the Williamsburg Summit

It was agreed at the meeting between Chancellor Kohl and the Prime Minister on 4 February that they should have a thorough discussion of the prospects for Williamsburg when they meet on 22 April. The Anglo-German Economic Committee will have met on 11-12 April, and Personal Representatives will have met again over the weekend of 15-16 April. British and German views are not too far apart on the prospects for economic recovery, on what we can realistically expect from Williamsburg and on its structure (as informal as



possible and with a list of agreed points rather than a long communique for President Reagan to give the Press). There will be differences between the Americans and the French, both on economic policy and especially on East/West economic relations. We shall want to discuss the implications of these with the Germans.

(ii) European Community

The United Kingdom budget question will loom large. The Germans have a key role to play as Presidency. They are aware of our need for progress within the timescale, but have not so far shown much sign of the determination or the ingenuity necessary to achieve it. Their wish to reduce their own share of contributions on our refunds could be a major obstacle. We shall need to reiterate the importance of firm and timely action as well as our interest in wishing progress before the end of the German Presidency on the internal market, on enlargement and on keeping European Community/United States relations on an even keel. A new Agriculture Minister has been appointed to replace Herr Ertl, and it may therefore be a good opportunity to discuss agricultural policy.

(iii) Defence and Arms Control

The Germans continue to face considerable internal opposition to INF stationing. If the Americans have come up with an intermediate proposal by 22 April, the meeting can be used to show public opinion in both Germany and the United Kingdom that the United States are negotiating seriously at Geneva. If no interim proposal has been made before the meeting we shall need to consider with the Germans how best to present the case to public opinion. Both Britain and the Federal Republic of Germany need at the Summit to confirm that they remain determined to begin deployment of cruise and Pershing II missiles if the zero option is unobtainable.



- 8. I enclose a suggested list of briefs, the preparation of which will be co-ordinated in the usual way by the Cabinet Office.
9. I should be grateful if you would seek the Prime Minister's approval for preparations for the Anglo-German consultations to go ahead on the basis of the proposals outlined above.

Lindsay Wilkinson

pp. ROBERT ARMSTRONG

29 March 1983

CONQUEROR

LIST OF BRIEFS FOR ANGLO-GERMAN SUMMIT
22 APRIL 1983

| | <u>Subject</u> | <u>Lead Department</u> | <u>In consultation with</u> |
|----|---|------------------------|---|
| 1. | General Brief | FCO [WED] | As appropriate |
| 2. | European Questions | | |
| | (a) General Brief on the European Community | FCO [ECD(I)] | Industry |
| | (b) EC Budget | FCO [ECD(I)] | Treasury Industry |
| | (c) Agricultural matters | FCO [ECD(I)] | MAFF |
| | (d) Enlargement | FCO [ECD(E)] | Treasury Trade MAFF Employment Industry |
| | (e) International Trade Issues (including protectionism, EC/United States, Japan) | Trade | MAFF Industry FCO [ECD(E)/TRED/FED] |
| | (f) Internal Market | Trade | FCO [ECD(I)] Customs & Excise Transport |
| | (g) EMS (Defensive) | Treasury | FCO [ECD(I)] |
| | * (h) EC/Turkey | FCO [ECD(E)/SED] | Employment |
| | (i) Genscher/Colombo proposals [if not agreed] | FCO [ECD(I)] | MOD |
| | (j) Steel | Industry | As appropriate |
| 3. | International Economic Issues | | |
| | (a) Prospects for the World Economy | Treasury | FCO [ERD/ESID] |
| | (b) International Debt | Treasury | FCO [ERD/ESID] Trade |

| | <u>Subject</u> | <u>Lead Department</u> | <u>In consultation with</u> |
|----|---|------------------------|-----------------------------|
| | (c) Prospects for Williamsburg Summit | FCO [ERD] | Treasury |
| | (d) Energy | FCO [ESSD] | Treasury Energy |
| | (e) Aid | FCO [ECD(E)] ODA | As appropriate |
| 4. | Arms Control and Disarmament | FCO [Defence Dept] | MOD FCO [ACDD] |
| 5. | Bilateral Defence Matters | MOD | FCO [Defence Dept/WED] |
| 6. | Industrial Co-operation | Industry | FCO |
| 7. | East/West Political Relations | | |
| | (a) General, including Afghanistan | FCO [EESD] | FCO [SAD] |
| | (b) Poland | FCO [EESD] | Treasury |
| | (c) CSCE | FCO [CSCE Unit] | |
| 8. | East/West Economic Relations | FCO [TRED/EESD] | Trade |
| 9. | Other International Issues | | |
| | (a) Arab/Israel and Lebanon | FCO [NENAD] | MOD |
| | (b) Iran/Iraq and the Gulf | FCO [MED] | |
| | * (c) Europe/Latin America (including the Falkland Islands) | FCO [SAmD/FID/MCAD] | MOD |
| | * (d) North/South Relations (including UNCTAD) | FCO [ERD] | Trade |
| | (e) UNLOSC | FCO [MAED] | MOD |

| | <u>Subject</u> | <u>Lead Department</u> | <u>In consultation with</u> |
|-----|--|------------------------|---------------------------------|
| | *(f) Southern Africa/ Namibia | FCO [SAfD] | |
| | *(g) SE Asia | FCO [SEAD] | |
| | *(h) Greece/Turkey | FCO [SED] | |
| 10. | Inner German Relations | FCO [WED] | Industry |
| 11. | Anglo-German Bilateral Questions (other than defence: See 5) | FCO [WED] | |
| 12. | FRG Scene | | |
| | (a) Political | FCO [WED] | |
| | (b) Economic | Treasury | |

* Denotes background brief