

FILE

10 DOWNING STREET

From the Private Secretary

5 March 1984

Executive Director of the International Energy Agency (IEA)

Thank you for your letter of 1 March which the Prime Minister saw over the weekend.

We agreed this evening that the telegram of instructions enclosed with your letter should be despatched.

I am copying this letter to Michael Reidy (Department of Energy),

A. J. COLES

Peter Ricketts, Esq., Foreign and Commonwealth Office.





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London SW1A 2AH

in response to Claneller

1 March 1984

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John, A-drc. 3.

Executive Director of the International Energy Agency (IEA)

When Chancellor Kohl saw the Prime Minister on 28 February (your letter of the same date to Brian Fall), the Chancellor said that he could not understand why, despite earlier Community agreement to put forward an EC candidate for the Executive Director post, the UK had on 27 February voted for an American candidate.

This is an appointment over which the Foreign Secretary and the Secretary of State for Energy have been in close touch. It is an important job; a considerable burden would fall to the holder should the IEA emergency oil sharing scheme be implemented.

There are four candidates - from the US, FRG, Denmark and the Netherlands. All have lobbied us assiduously. We are satisfied that the American (Mr Bosworth) is the best candidate. A number of European countries (outside as well as inside the EC) would prefer a European to an American. The American seems to have the support of Japan, Norway, Canada, New Zealand and probably Australia.

There has predictably been considerable pressure among the Ten to select a European candidate, but no agreement on who that candidate should be. At the Foreign Affairs Council in Brussels on 23 January the Foreign Secretary said that in order to be chosen, a candidate would need to have a wide measure of support within the IEA. He added that the Americans had a strong candidate; if the Community candidate was to be successful against the American it was important that the Community should select the best man available. At the Council on 20 February, where the matter was brought up again, the Foreign Secretary said that he was with regret unable to express a preference among the three equallyqualified Community candidates at that stage. Others, including M. Cheysson, agreed with this, and thought that more consultation at the OECD in Paris was required.

/The subject



The subject came up again over lunch at the Political Cooperation Ministerial meeting in Paris on 28 February, which Mr Rifkind attended. Ireland, Luxembourg, Belgium and Italy all agreed that Bosworth was a good candidate. Herr Genscher referred to his earlier comments on the suitability of the German candidate; the Dane repeated his support for the Danish contender; and the Dutchman spoke in support of his compatriot. Mr Rifkind said that Bosworth had strong personal qualities. After discussion, M. Cheysson insisted on a vote. Consistent with the Foreign Secretary's earlier unwillingness to distinguish between the Community candidates, Mr Rifkind abstained (there was no question of our ''voting for the Americans' as Chancellor Kohl suggested).

The Prime Minister undertook to let the Chancellor have an explanation. We suggest that the best way to do this would be for HM Ambassador Bonn to be instructed to go over the ground with the Chancellor's office. I enclose a telegram of instructions.

I am sending a copy of this letter to Mike Reidy at the Department of Energy.

Leto Roberts

(P F Ricketts) Private Secretary

A J Coles Esq 10 Downing Street

Classification and Caveats CONFIDENTIAL PRIORITY 1 ZCZC 2 GRS 3 CONFIDENTIAL CAVEATS DESKBY FM FCO 6 FM FCO PREJADD 7 TO PRIORITY BONN TELNO 8 TELEGRAM NUMBER 9 INFO UKREP BRUSSELS, UKDEL OECD 10 IEA EXECUTIVE DIRECTOR 11 1. When Chancellor Kohl saw the Prime Minister on 28 February 12 he complained that the Germans could not understand why, despite 13 earlier Community agreement to put forward an EC candidate for the 14 post of Executive Director of the IEA, the UK had voted at the 15 Political Co-operation Ministerial meeting in Paris on 27 February 16 for the American candidate. The Prime Minister said she would 17 enquire into this and let the Chancellor have an explanation. 18 2. Please now give the following explanation to the Chancellor's 19 staff in whatever form you consider appropriate: 20 (i) Sir Geoffrey Howe has consistently taken the line in 21 discussions on this subject in the Council of Ministers that if a 22 Community candidate were to be successful against the American it 23 was important that the Community should select the best man 24 available for the job. It was also important that the successful 25 candidate should

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Page Classification and Caveats 2 CONFIDENTIAL 1 <<<< enjoy a wide measure of support within the IEA as a whole. We have not been aware of an agreement within the Community 4 that there should at all costs be a Community candidate. When 5 this was discussed by Ministers on 23 January and again on 20 February, it was agreed to consult urgently with a view to seeing whether agreement could be reached on a Community candidate. But it has also been recognised from the beginning that the US candidate was technically well qualified. 10 (iii) Three Community candidates have been put fofward. 11 has withdrawn during the consultative process: on 20 February 12 Sir Geoffrey Howe made clear that he was unable at that stage 13 to choose between the three Community candidates who all seemed 14 equally well qualified. When the matter was put to the vote 15 on 27 February we therefore abstained. There was no question of 16 our voting for a US candidate. In the event, none of the 17 candidates was supported by a majority of Member States. 18 (iv) Our abstention was, therefore, in line with the comments 19 of Sir Geoffrey Howe at successive Foreign Affairs Councils. 20 21 HOWE 22 NNNN 23 24 25 26 27 28 29 30 31 111 11 32 33 34 Catchword NNNN ends BLANK telegram

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