

CPE



FCS/84/36

N. B. P. R.

AB 11.
5SECRETARY OF STATE FOR ENERGYIEA Executive Director

1. Our delegation to the OECD have reported that a meeting of the IEA Governing Board at Permanent Representative level is likely to be held on 15 May to consider the appointment of Frau Steeg as Executive Director of the IEA. It looks very much as though a consensus is developing around her. We need to send instructions by Monday 14 May.
2. For my part, I think Frau Steeg would be an acceptable choice. Officials here who know her well believe that despite her lack of direct experience in energy matters, she would fill the post well. As I said in my minute of 25 January, a European would seem best suited to the job. I see no reason why in this case a German should not be succeeded by a German.
3. I have considered carefully whether we should try to use UK support for Frau Steeg in order to win FRG support for our candidate for the post of OECD Secretary General, but see no advantage in doing so. Indeed, we ourselves have argued against such a link for the OECD post. The Germans have declared formally for Paye, and I doubt they can be shifted; and if, as now seems very likely, Frau Steeg is the only candidate for IEA job, we will have no leverage anyway. However, I would hope that if the Germans were for some reason to back off Paye, we could use our favourable attitude towards Frau Steeg in order to urge them to support our man for the OECD post.
4. I therefore suggest we decide quickly that Frau Steeg would be acceptable to us as a consensus candidate. I think we should however be prepared to make clear in a tactful way to all concerned that if a consensus in favour of Frau Steeg were not to materialise, and other candidates were to emerge, we might need to consider them too. We could let our position be known to the IEA Secretariat and others, and urge the need for a decision soon.

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5. I am copying this minute to the Prime Minister, to the Chancellor of the Exchequer and to Sir Robert Armstrong.

A handwritten signature in dark ink, appearing to be 'G. Howe', written in a cursive style.

GEOFFREY HOWE

Foreign and Commonwealth Office

11 May, 1984

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