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Foreign and Commonwealth Office

London SW1A 2AH

22 May 1986

Dear Charles,

Sir J Bullard's Call on Chancellor Kohl: 28 May

Sir J Bullard is calling on Chancellor Kohl on 28 May. He has asked if there is any particular message the Prime Minister would like him to pass on.

You may like to consider authorising him to say that the Prime Minister:

- (a) Looks forward to meeting the Chancellor at the European Council in The Hague on 26 June (this would serve as a lead in to the points we wish Sir J Bullard to make on EC issues - see enclosed note);
- (b) thanks him for his letter of 16 May (proposing an international conference on nuclear safety issues - copy enclosed for ease of reference) and will be replying. Meanwhile she welcomes the agreement of the special IAEA Board meeting on 21 May, called by the Federal Republic, that an early conference should be held on the full range of nuclear safety issues;
- (c) sends good wishes for the forthcoming elections in Lower Saxony.

Point (b) fudges the point of whether this conference would be held under IAEA auspices (as we wish and as is likely), or hosted by the Germans (as in Kohl's original proposal which the Germans seem unlikely to press).

On point (c) the CDU are increasingly nervous about their electoral prospects in Lower Saxony, where a victory had earlier been in little doubt.

Yours ever,

Colin Budd

(C R Budd)  
Private Secretary

C D Powell Esq  
10 Downing Street

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CALL BY SIR JULIAN BULLARD ON CHANCELLOR KOHL:

EUROPEAN COMMUNITY

- (i) Prime Minister will want to work closely with you during our Presidency. Serious budget problems but, together, we can ensure that Community spending stays within the 1.4% ceiling ~~in 1986 and 1987~~.
  
- (ii) This year's agricultural price fixing showed that the Community can agree on worthwhile reforms. Useful agreement at Tokyo that problem of surpluses needs to be tackled on an international basis. Community has started to take necessary steps to reform milk and cereals sector. Hope we can get agreement on Commission proposals on reform of the beef sector during our Presidency.
  
- (iii) Need to build on Tokyo Summit Communiqué language on protectionism. Successful launch of new GATT Round will be major priority for our Presidency. But concerned that EC/US trade disputes will damage essential developed country cohesion. We are delivering to Americans at every level (eg Secretary of State Shultz 27 May) essential message that problems must be solved through negotiation but that it is unavoidable that Community will hit back against any unilateral US action. Hope German Ministers will take every opportunity to deliver same message.

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bc PC

10 DOWNING STREET

*From the Private Secretary*

23 May 1986

**SIR JULIAN BULLARD'S CALL  
ON CHANCELLOR KOHL**

Thank you for your letter of 22 May about Sir Julian Bullard's forthcoming call on Chancellor Kohl. I agree that he should speak to the Chancellor in the Prime Minister's name in the terms suggested.

(Charles Powell)

C.R. Budd, Esq.,  
Foreign and Commonwealth Office.

VC