CONFIDENTIAL

Cile 1/ NLW

10 DOWNING STREET 2/ File

LONDON SWIA 2AA

From the Principal Private Secretary

23 May 1988

Jeas Rodric,

THIRD SHERPA MEETING

You will have seen my report of yesterday to the Prime Minister on last week's Sherpa meeting in Paris. I now write concerning the follow-up on which I should be glad of a word on the telephone tomorrow.

You will recall that we were invited to send to the Canadians text (ie. communiqué language) for the next version of the thematic paper before the next Sherpa meeting in Toronto beginning 3 June. I rather doubt whether we will wish to do this; please tell me if you disagree. However, I think that we might wish to have ready for circulation to Sherpas at the Toronto meeting on 3 June texts on particular subjects; or alternatively we might aim to give the Canadians at the meeting text in the hope that they might incorporate it into their own drafting of the communiqué without any suggestion of its provenance. I see six possible topics where we might provide some words:

- 1. Agriculture
- 2. Trade
- 3. Environment
- 4. Terrorism
- 5. Drugs
- 6. Sub-Saharan debt

It seems likely that the Prime Minister will wish to take an active role at the Summit in the discussions on agriculture and trade; and I believe that we should specify soon, and certainly before the 3 June meeting, for our own planning purposes, the sort of language that we should aim to have included in the Declaration. My feeling is that the Prime Minister might wish to "over-bid" in the first instance in the expectation that we would have to accept some less satisfactory language in the event. Tactically I doubt whether it would be sensible to table such language at the next Sherpa meeting. That would simply give a target for the French and Germans to attack. It might, however, be worth showing the Canadian hosts some text in the hope that they would include it in the draft Declaration which they would prepare for the Summit. Clearly if we are going to do that, we need to clear the text with Ministers before we go to Toronto on 3 June.

On terrorism, the Sherpas agreed in Paris that the group of Summit terrorism experts should meet in Toronto on 2 June, though I have to say that that agreement was arrived at when my French colleague, Jacques Attali, was out of the room. Several of my Sherpa colleagues, notably the German, Tietmeyer, were passionately opposed to the terrorism experts producing any text for the political Declaration. I said that I saw no problem here. There was no need for the terrorism experts to draft texts. The Canadian terrorism expert (Seymour) would, no doubt, report the outcome of the discussions to the Canadian Sherpa (Dr. Ostry) and to the Canadian Political Director. They might want to prepare a text on the basis of his report. Dr. Ostry confirmed this procedure when I saw her this afternoon. In her words: The experts meet on June 2. Seymour, the Canadian terrorist expert, will report to herself and to the Canadian Political Director on the basis that at least some of the Seven's terrorist experts believe that certain issues flowing from their discussion should be reported to the Summit. She would report this to the Sherpa lunch on 4 June which the Political Directors would attend. The Sherpas would then decide whether to put proposals to the Summit, and if so, whether to propose a draft text.

This procedure seems to meet our objectives. But I think that it would be well worthwhile if I could take with me to Toronto on 3 June the text which we would want to see submitted to the Summit. This would need to have been cleared in advance with Ministers here.

As regards environment, both the German Sherpa and the Italian, Sarcinelli, circulated papers, copies of which are attached, to our meeting. I suspect that they could cause us difficulty. It may be in our interest to table a positive, but harmless, text for the discussion.

As regards <u>drugs</u>, there are indications that the US will want to table a substantial initiative at the Summit. Its scope is unclear, though as Charles Powell's record of the Prime Minister's discussion with Mr. Mulroney this afternoon indicates, it might be intended to have an impact on money laundering. I do not think that this is an issue on which we would want to table language, though I believe that it would be worthwhile to try to discover from the US Administration before the Toronto Sherpa meeting what they have in mind. The US Sherpa said that the Assistant Secretary in the State Department responsible for narcotics policy was busily engaged in working something up.

On <u>Sub-Saharan debt</u>, it is clear that the UK will need to take the lead, and I see some advantage in making sure, at least, that the Canadians have the form of words with which we would be satisfied. If you and the Treasury agree, could I ask that you provide a draft, which again would need clearance with Ministers beforehand (I enclose with this letter a note on this issue which Trichet handed me, a copy of which the Treasury will no doubt already have).

I should report some other points. My Japanese colleague reported that his Prime Minister is extremely keen for the Declaration to include a reference to the Human Frontier Science Programme; and he circulated a possible form of words a copy of which is attached. The Japanese motives here are, I think, simply to include some benign reference in the Declaration to the problem in tribute to the memory of Mr. Nakasone whose brainchild it was. Could I ask that briefing for the next Sherpa meeting should include a form of words, in as positive a form as possible, which we could support. I am also enclosing a copy of a report (for you only) from the Programme's Feasibility Study Committee which the Japanese Sherpa circulated in Paris. Alan Wallis indicated that enthusiasm in Washington for this programme had abated from previous levels.

Finally, I am enclosing with this letter two other pieces of paper which were circulated in Paris; an advance communication from my Italian colleague about the Fifth Conference on Bioethics, by which I assume that he will seek some reference to the subject in the declaration; and a note from Mrs. Ostry on ASEAN and the Asian NICs.

I am sending a copy of this letter to Geoffrey Littler and to John Fretwell (without attachments).

Lieb Wills

N. L. WICKS

R. Q. Braithwaite, Esq., C.M.G. Foreign and Commonwealth Office