

PRIME MINISTER

BILATERAL WITH SIGNOR DE MITA

You are to see the new Italian Prime Minister, Signor De Mita, at 0900 on Sunday in Toronto. He will come to your hotel.

The meeting will be little more than an opportunity to get to know him and you will probably want to devote most of it to talking over the issues which will feature at the Economic Summit and at the European Council.

But there are three bilateral issues which you ought to raise:

- Arms to Argentina. You will want to leave him in no doubt of the importance we attach to the Italian Government continuing to embargo major new arms sales to Argentina. They constantly worry that others such as the Americans, Germans or French will secure arms contracts with Argentina to the detriment of Italian firms. You can assure him that the assurances we have had from other Governments remain good.
- Italian Defence Policy. You might compliment him on the Italian decision to receive the US F-16 aircraft being removed from Spain. You should also refer to our collaboration both on EFA and the EH-101 helicopter. We are still not convinced that we have got the right management structure for the latter which is a vitaly important project, central to future UK/Italian co-operation. You hope he will join you in taking a personal interest in its progress.
- State Visit. He may raise the question of reinstating Cossiga's cancelled State Visit. You will want to say that we would like to reinstate it but planning for these visits is done on a long term basis, there are

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several other visits already in the pipeline and we are not yet in a position to offer an alternative date.

CSP

Charles Powell

16 June 1988

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