



PM/83/50

PRIME MINISTER

Fast Reactor Policy

with us?

1. I believe that the proposals contained in the Note by the Secretary of State for Energy, which he sent to you under cover of his minute of 8 July, deserve our support. Collaboration with France and Germany on the terms proposed will give us full access to the biggest and most advanced programme of research and development in the world on this subject at reasonable cost. We shall certainly get more value for our money than we could by continuing our own programme in isolation and neither the United States nor Japan are currently able to offer programmes as advanced, or in the US case as financially secure, as the Franco/German programme. However, we should certainly not close the door to inclusion of either country in the collaboration at an appropriate time in the future.

2. Paragraph 13 of the Note raises an important point about the possibility of criticism from some quarters of involvement by our civil nuclear industry in the French nuclear programme, where the civil/military division is less clear cut than in the UK. However, I understand that officials have raised the problem with their French counterparts and are confident that suitable assurances can be obtained to cover the problems listed. Subject to satisfactory solution of this problem, I suggest we press ahead with negotiations of an understanding with the French and Germans based on a "settled down" UK programme on a funding level of £75 million a year.

3. I am

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3. I am copying this minute to the Secretary of State for Energy, the Chancellor of the Exchequer, the Secretary of State for Scotland and 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
18 July 1983

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