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10 DOWNING STREET  
LONDON SW1A 2AA

From the Private Secretary

30 December 1990

Dear John,

EMU

The Prime Minister has seen the Chancellor's minute of 27 December about our draft Treaty amendments on EMU. He has signed the letters, which we have dated 1 January, and I should be grateful if you could now arrange with the Foreign Office for their prompt despatch.

The Prime Minister has asked whether the Chancellor will be having a press conference to explain the texts when they are published on about 8 January: and what background briefing for the press and media is in hand.

I am copying this letter to Richard Gozney (Foreign and Commonwealth Office) and to Sir Robin Butler.

Yours sincerely,

(CHARLES POWELL)

John Gieve, Esq.,  
H.M. Treasury.

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PLEASE NOTE DATE FOR  
REPATCH OF LETTERS.

Prime Minister

PRIME MINISTER

(1) I have kept Treaty amendments to read. Agree to sign  
(2) To Ch X. having a Press Conference?  
(3) EMU why not and what timing of book etc. is a hand? letters? CAP 20/12  
29.12

We decided not to table our draft Treaty amendments when we were in Rome. We now need to decide when to do so and how to get the most favourable reception.

2. The key will be the reaction of other European leaders. This will not only set the tone for the IGC, but will also be critical for our domestic press response. I agree therefore with the suggestion (your private secretary's letter of 17 December) that you should write to some European heads of government to give them advance warning. I agree that it is right to follow up your bilaterals with Chancellor Kohl, and Mr Lubbers, and to write additionally to Mr Santer, as future President of the European Council as well as to Gonzalez because the Spanish have put forward proposals involving the hard ecu. I see no need for you to write to Cavaco Silva, though it would do no harm.

3. Apart from giving advance warning of our intention to publish, the purpose of writing would be to make clear that, while the UK is not able to agree to a single currency or monetary policy (and our reserve therefore remains in place), we have no objection to others suggesting ways of developing our proposals in ways that meet their aspirations. The attached draft letters include a form of words closely based on the reserve set out in my minute to you of 11 December. I will be speaking in similar terms to Juncker, Solchaga and Beregovoy. I do not propose that you send the texts with your letter, although I will endeavour to send

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personal copies, 24 hours in advance, to the Luxembourgers, the Spanish and the French.

4. I intend to publish the texts on about 8 January, so that they are on the table before the first meeting of officials supporting the IGC - on 15 January. The best time for your letters to be received would therefore be towards the end of the previous week - say by 3 January. Perhaps our office could keep in touch to ensure the timing is properly coordinated.

5. This timing means that we will publish the Treaty texts before the meeting of OPD (which I understand cannot be arranged until your return from the Gulf). OPD however, is to discuss our negotiating strategy at the IGC and the Treaty texts are consistent with any of the options set out in my minute of 11 December.

6. I am sending a copy of this minute to the Foreign Secretary and to Sir Robin Butler.

[N.L.]

27 December 1990