

SUBJECT



cc FCO BK
CO 2417

cc Master
Ops

Euro PR: March 1980:

10 DOWNING STREET

Enlargement of the EC

THE PRIME MINISTER

25 July 1980

**PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T150/80**

Dear Prime Minister,

Thank you for your message of 15 July about Community pre-accession aid for Portugal.

Your message and those sent to the Foreign and Commonwealth Secretary by Professor Freitas do Amaral, brought out very clearly the immense political importance which you and your colleagues attach to this issue. It was with this in mind that we were able, together with our Community partners, to agree at the Foreign Affairs Council on 21/22 July to offer aid, including both a loan and a grant element, in the terms which have now been communicated to your Government. I hope that the decision will have been welcome and helpful to you.

It was however a difficult decision for us to take. We are having to apply severe constraints to public expenditure generally. Our existing aid programme, from which the British share of any grant assistance to Portugal has to come, is under considerable pressure. These factors will inevitably limit the extent of our ability to contribute to a Community programme of the kind envisaged. We shall of course do our best to help: but I hope you will bear our own very real difficulties in mind when we discuss in the autumn the details of the aid package.

(sgd) MT

His Excellency Dr. Francisco S Carneiro

file

a.c.o BK

L. Nyar

25 July 1980

Pre-accession aid for Portugal

Further to your letter to me of 24 July, I enclose the signed original of the Prime Minister's message to Dr. Sa Carneiro. As you will see this is a slightly amended version of the draft enclosed with your letter.

I am sending a copy of this letter and enclosure to David Wright (Cabinet Office).

M. O'D. B. ALEXANDER

Paul Lever, Esq.,
Foreign and Commonwealth Office

CONFIDENTIAL

Portugal



Foreign and Commonwealth Office

London SW1A 2AH

Type for signature, as amended.

24 July 1980

Dear Michael,

Message from the Portuguese
Prime Minister

As requested in your letter of 15 July I enclose a draft reply to the Portuguese Prime Minister's message about pre-accession aid. As I explained last week, we thought it better to delay replying until after the Foreign Affairs Council on 21/22 July because of the difficulty which the proposal for pre-accession aid gave the UK and because Ministerial exchanges were continuing in Whitehall. At the Council there was in the end only a decision in principle in favour of pre-accession aid, with which we were able to go along.

I should be grateful if you would let me know as soon as the Prime Minister has approved the reply so that our Ambassador at Lisbon can be instructed to hand it over.

I am sending a copy of this letter and its enclosure to David Wright (Cabinet Office).

Yours etc

Paul

(P Lever)
Private Secretary

Michael Alexander Esq
10 Downing Street
London

CONFIDENTIAL

24 JUL 1980

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9 8 7 6 5 4 3 2

DRAFT: minute/letter/teleletter/despatch/note

TYPE: Draft/Final 1+

FROM:
PRIME MINISTER

Reference

DEPARTMENT: TEL. NO:

SECURITY CLASSIFICATION

TO:

Your Reference

- Top Secret-
- Secret-
- Confidential
- Restricted
- Unclassified

Snhr Francisco Sa Carneiro
Prime Minister of Portugal

Copies to:

PRIVACY MARKING

SUBJECT:

.....In Confidence

CAVEAT.....

Thank you for your message of 15 July about Community pre-accession aid for Portugal.

Your ^{message} ~~letter~~ and those sent to the Foreign and Commonwealth Secretary by Professor Freitas do Amaral, brought out very clearly ~~to us~~ the immense political importance which you and your colleagues attached ~~to~~ to this issue. It was with this in mind that we were able, together with our Community partners, to agree at the Foreign Affairs Council on 21/22 July to offer aid, ^{including} in the form both of ^a loans and ^a of grants, ^{element} in the terms which have now been communicated to your Government. I ^{hope} ~~am sure~~ that ^{the} this decision will have been welcome and helpful to you.

^{ll} This was however a difficult decision for us to take. The ~~constraints~~ ^{severe constraints} we are having to apply to public expenditure generally, and the ~~pressure on~~ and ~~commitments in~~ our existing aid programme, ^{from} which the British share of any grant assistance to Portugal has to come, ^{is under considerable pressure. These factors} will inevitably limit the extent of our ability to contribute to a Community programme of ^{the envisaged} ~~this~~ kind. We shall of course do

/our best

Enclosures—flag(s).....

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own very real difficulties in mind when we discuss
in the autumn the details ~~and scale~~ of the grant
~~element of pre-accession aid.~~ *package.*