



10 DOWNING STREET

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Pine Minister

Anglo/French Summit

These are texts for  
you & President Mitterand  
to agree on the  
Channel Fixed Link.

The outstanding question  
is whether you would  
want to meet  
Mitterand for in January  
to announce a decision,  
as well as in February  
to sign a Treaty.

C.D.P. 15/4

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PRIME MINISTER

cc. Mr. Ingham

ANGLO-FRENCH SUMMIT

The Summit is on Monday. You meet President Mitterrand at Northolt at 0830, and start with a tete-a-tete with him from 0900-1030. Foreign Ministers join you from 1030-1100. The Plenary is in the Cabinet Room from 1100-1145: the Press Conference in 12 Downing Street from 1200-1245. Lunch is promptly at 1300 round the large table, and President Mitterrand departs at 1430.

Ministers taking part are: Foreign Affairs, Home Affairs, Defence, Transport, Trade and Industry, Research and European Affairs.

The impression which we want to go out from the Summit is of a reasonably functioning Anglo-French cooperation. You will want to show yourself unconcerned by any suggestion that the United Kingdom is a sort of afterthought of Franco-German cooperation. If reform of the Community is to get anywhere it won't be by any grouping dictating to the rest: it needs a cooperative endeavour which takes everyone's interests into account. The main news should be the Channel Fixed Link on which the Summit's main task will be to confirm a deadline for agreement early in the New Year. You are bound to be asked whether you discussed Ptarmigan/MSE: it's probably best to show good sportsmanship (whatever you feel), and refer to future competitions, e.g., for low-level air defence, which we intend to win. On Europe the impression we want is of continued readiness to discuss practical ways to improve decision-taking and generally improve the way the Community is run, but of a certain mystery about how far we are prepared to go. You will want to fire a warning shot about CAP surpluses, and the need to reform the CAP. You will want to kill any speculation about Anglo-French nuclear cooperation. On

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East/West we want the French to join us in a firm statement of support and encouragement for President Reagan on the eve of the Summit. But if, as is possible, Mitterrand is unwilling to go very far in this direction, you should have no hesitation in contrasting publicly our loyal support with French ambivalence.

In the talks with Mitterrand you might first ask him about the situation in France. Thereafter you will want to cover the following subjects:

(i) East/West relations. He will be longing to tell you about Gorbachev's visit to Paris (which clearly wasn't nearly as fresh and interesting as his earlier visit to the United Kingdom). You will want to compare notes about our slightly different responses to Gorbachev's offer of talks on nuclear weapons; discuss the prospects for the Reagan/Gorbachev meeting; and decide what you will say publicly about it at your press conference.

(ii) Europe: Intergovernmental Conference. You will want to tantalise Mitterrand by leaving him uncertain as to what you will and will not agree to at the European Council. You will see what's on the table when you get there, and judge accordingly. You will be ready to reach an agreement at the December Council if there is material for one, but are quite relaxed about the possibility of waiting longer if necessary. You might commend the good cooperation between British and French officials, while being careful not to give the impression that you will be bound by anything they agree. In general you will want to bring home to him that there are many more important issues in the Community than the Intergovernmental Conference - reform of the CAP, completion of the internal market, etc.

(iii) Channel Fixed Link. The points to look out for here are any attempt by Mitterrand to suggest that some of the proposals can be junked straight away: we don't want to close any of the options at this stage. We are ready to stick to the timetable of a joint signing of a Treaty 2/3 weeks after a decision is reached. But all this is on the basis that there is a satisfactory agreement on lorry quotas. You will want to discuss the text of a joint statement.

(iv) Falklands. It seems more and more likely that the French will support a 'soft' Argentinian resolution, and you will not want to invest too much capital in trying to dissuade Mitterrand. You could rehearse our readiness for talks with Argentina about normalising relations, and stress the importance of self-determination. You will want to say enough to let him know that we shall be fed up if France changes her vote, but not so much as to give him the feeling that we are begging.

(v) European Fighter Aircraft. You will have replied to his letter expressing willingness to consider in rather general terms future cooperation on aircraft projects. But your general tone ought to be one of polite but limited interest, with no hint that the EFA itself is still open to French participation.

(vi) Scientific Cooperation. You should mention Eureka briefly, complimenting him on the French initiative in starting the ball rolling, but leaving him in no doubt that the project has been hijacked by those of us who want it to be market-oriented. It must have the support of industrialists if it is to succeed. We shall not agree to a Secretariat in Strasbourg. You could tell him about Spallation and say you hope France will participate. He may raise Skynet.

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(vii) Guangdong. You will want to say how pleased you are with the collaboration between French and British officials in the negotiations with the Chinese. It is important that we continue to resist impossible Chinese demands both on financing and price.

I attach the briefs and some cards.

CDP

14 November, 1985.

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ANGLO -FRENCH SUMMIT: ADDITIONAL SPEAKING NOTE  
ON EUROPEAN COMMUNITY

Understand that our officials have been in close contact about the matters under discussion in the intergovernmental conference.

Our impression is that you are working towards an outcome covering the following points:

- if there were new Treaty Articles on environment and technology, there would have to be unanimity on all important decisions;
- 'cohesion' does not mean new resource transfers to the Southern member states;

- no change in the institutional balance between the Assembly and the Council, or any arrangements which would slow down decision-taking;
- no general delegation of powers to the Commission;
- only a very limited shift to qualified majority voting under Articles 57 and 100 for the removal of direct obstacles to free movement of goods, persons and services;
- a political co-operation agreement.

It would help me reach a view on the position which Britain will adopt at Luxembourg, if you could let me know whether these points correspond to your own thinking (i.e. are not just those of officials). If they are not your views it's better to know now, so that we can avoid the confusion which prevailed at Milan.



## ANGLO-FRENCH SUMMIT: ADDITIONAL SPEAKING NOTE

### Channel Fixed Link

Can agree text for issue at press conference. Wonder whether it's really necessary for us to meet at the time of the decision on the chosen project in January and to sign a Treaty in February. But ready to do so if you attach great importance to it.

Satisfied with confidential text on lorry quotas. Cannot give commitment to allow heavy lorries once the Fixed Link is open.

### Community Shipping Policy

Sorry that France has not been able to co-operate with us at EC Transport Council in opening up shipping trades. Very important

to get this done before Spain and Portugal join. Hope you can agree to give the issue a push before the end of the year.

Amendment to Article 107 (Exchange Rate Provisions)

Don't see such an amendment as necessary or desirable. Believe this is also the German position. The real priorities are for France and Italy to remove exchange control and for Germany to recognise the ECU. A reference to European Monetary Union is politically unacceptable. And a Treaty reference to EMS would open up question of Community competence and central banks' independence. Hope Delors proposal will be withdrawn.

## MEETING WITH PRESIDENT MITTERRAND

### 1. East/West Relations

- Gorbachev's visit to Paris.
- responses to his offer to discuss British and French nuclear weapons.
- prospects for Summit.
- what to say to the press.

### 2. Europe

- ready to try to reach a positive conclusion to the Intergovernmental Conference at Luxembourg.
- but will depend on the nature of the package available.

- welcome contacts between British and French officials. But not bound by them: very political question.
- other more important issues on which Community should focus eg CAP reform.

### 3. Channel Fixed Link

- timetable followed so far. Lot of work to be done. But hope to be ready to sign treaty by late February.
- must have an assurance that there will be no limitation in practice on our lorry traffic.

- need to give upbeat statement at press conference.

#### 4. Falklands

- hope that France will continue to abstain.
- even 'soft' resolution cannot conceal fact that Argentinians continue to want to absorb the islands without regard to the wishes of the inhabitants.
- we have offered normalisation of relations and have lifted unilaterally all trade restrictions.

#### 5. Defence Cooperation

- replied to letter. Willing to consider co-operation on the future generation of aircraft projects.

- need early details of French ideas on co-operation over equipment for EFA and Rafale.

#### 6. Scientific Co-operation

- welcome successful launch of Eureka. Important that it is market-orientated and that private finance should be dominant.
- not keen on establishing bureaucracy. Could consider small secretariat.
- hope France will take part in Spallation Neutron Source Project.

- ready to consider UK participation in Synchrotron Radiation Facility.

#### 7. Guangdong

- welcome close Anglo/French Co-operation.

#### 8. Electricity Links

- Good example of co-operation.
- but keep publicity to a minimum.