CONFIDENTIAL MINISTRY OF DEFENCE MAIN BUILDING WHITEHALL LONDON SW1A 2HB Telephone 2018 2111/3 24 April 1986 MO 14/4E Dear Chales VISIT OF FRENCH PRIME MINISTER: 26TH APRIL 1986 Colin Budd alerted us by telephone today to M. Chirac's meeting with the Prime Minister tomorrow and to the fact that M. Chirac may raise bilateral and European defence co-operation. I enclose two briefs, one general, one on Defence equipment collaboration, which you may care to enclose in the Prime Minister's pack; though we would not quarrel with the line to take recommended in Colin Budd's letter of today's date, which sums it up well.

I am copying this to Colin Budd in Sir Geoffrey Howe's Office, and to Michael Stark in the Cabinet Office.

Yes merely.

(J F HOWE)
Private Secretary

Charles Powell Esq 10 Downing Street

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### PRIME MINISTER'S MEETING WITH M. CHIRAC

#### Points to Make

- Bilateral defence contacts start from a high baseline. Value them and hope they can continue and expand.
- European defence co-operation important to Alliance. UK and France both have Central Region forces, and both have strategic deterrents and interests outside Europe: both must play major role in European defence co-operation. Different fora provide different opportunities.
- Any developments in French defence policy proposed?

## Background (CONFIDENTIAL)

- 1. Although France is not a member of NATO's integrated military structure, there are close bilateral defence contacts. Examples are regular talks between Defence Staffs, Service-to-Service contacts, joint exercises, training exchanges, equipment collaboration (see separate brief). At the December 1984 Summit, Defence Ministers agreed to aim to thicken links, and this has led to enhanced contacts, which we hope to continue.
- 2. Mr Younger will meet the French Defence Minister, M. Giraud, for the first time at the IEPG on 28 April. M. Giraud has accepted an invitation to visit UK later in the year. The French CDS will visit UK on 9 May.

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- 3. France is a member of the IEPG and the WEU (but not the Eurogroup).
- 4. Major innovations in French defence policy are not expected, not least because of 'cohabitation', but the Government plan to submit a new military equipment programme law to Parliament in the Autumn. Some increases in defence spending are likely, with emphasis on maintaining the French strategic deterrent and with nuclear forces generally more likely to benefit than conventional.

# FENCE EQUIPMENT COLLABORATION

## POINTS TO MAKE

- Relationship and bilateral contacts between MODs continue to be good. Firm desire on UK side to expand,
- Disappointing that it did not prove possible to achieve 5 nation collaboration on next generation fighter. Glad that contacts are continuing to explore possibility of collaboration at equipment level. (Being pursued by National Armaments Directors of EFA nations and France. President Mitterrand's letter of 11 October, and Prime Minister's reply of 15 November, attached, refer).
- Glad that Independent European Programme Group will be pursuing rider prospects for European collaboration in military aircraft (c.f. same correspondence). Right body; need to avoid duplication of effort. Good initiative by France, logical extension of IEPG work.
- Promising prospects for collaboration on Weapon Locating Radar (with Germany) and next generation Medium Surface to air missile for naval and land based use.

MESSAGE FROM M. FRANCOIS MITTERAND,
PRESIDENT OF THE FRENCH REPUBLIC

TO

THE RT HON MRS MARGARET THATCHER MP, PRIME MINISTER

Paris, 11 October 1985

Madam Prime Minister

I wish to recall that in my view, the building of a joint military aviation is a project fundamental to the security and defence, and indeed for the technological and industrial future of Europe.

I cannot but regret the recent failure of the unique European fighter aircraft project, which is due in the main to the impossibility of reconciling in a single aircraft different though complementary military requirements, and to the differences in equipment renewal timetables.

Thus I have become convinced that it will not be possible to build the Europe of military aviation unless joint reflection is carried out beforehand, in the perspective of the next twenty years.

This work of reflection should in particular deal with :

- the extent and nature of requirements for aircraft of various types between now and 1995-2000
- definition of the European programmes likely to satisfy these requirements
- the various types of essential aircraft (fighter aircraft, transport aircraft, initial or advanced training aircraft) and the associated equipments
- the division of tasks between the companies, taking into account the necessity of establishing a network of interlinked cooperation on essential equipments: airframe, wing, engine, electronic equipment, weapon systems.

These considerations lead me to propose to you that a European study and programming group be set up in the field of aviation, which would group together the European countries concerned. This group would bring together periodically, at the political level, the Defence Ministers and Foreign Ministers and, at the

this l level, the Armament Directors on the one hand and the companies on the other.

I therefore propose that the Ministers of Defence and the Ministers for External Affairs of our various countries should quickly meet on this matter.

I also wish that the participation of our respective aircraft industries may be envisaged in the two fighter aircraft programmes which are today under development, and that the complementarity of these, both from the operational and from the technological and industrial point of view, may once again be sought. The French government is ready to submit precise proposals in this connection.

I remain convinced that there is room in Europe for several projects corresponding to complementary requirements of our air forces.

I Temain, Madam Prime Minister, yours very truly.

signed : Francois Mitterand