Foreign and Commonwealth Office London SWIA 2AH 11 July 1986 ear Charlos, Shevardnadze Visit: Call on the Prime Minister Since sending you briefing for the Prime Minister for her meeting with Mr Shevardnadze, there have been developments connected with the proposed Soviet/Argentine agreement on Falkland Islands Fisheries and Mr Gorbachev's proposal for a conference on the Middle East of which the Prime Minister should be aware. Middle East We suggest that, if Shevardnadze raises this during his call, the Prime Minister should say that we are not in principle opposed to an international conference or a preparatory meeting of the Permanent members of their Security Council. But we doubt the practicality of such an idea at this stage: a conference is only useful if the parties themselves are determined to make it work. Palkland Islands Fisheries Since March, the Russians have been negotiating a bilateral fisheries agreement with Argentina. We have pressed for an assurance that any agreement will not purport to apply to waters the Palkland Islands are entitled to claim. No clear assurance has been forthcoming. The Foreign Secretary will raise this with Mr Shevardnadze, and thinks it important for the Prime Minister also to let him know she is concerned that the Russians should not act in a way prejudicial to our interests. Gons en alex 11 July 1986 (R N Culshaw) Private Secretary C D Powell Esq No 10 Downing St