

PRIME MINISTER

TIN

The UK representatives this afternoon told the ITC that the UK would not be prepared to increase its £50 million contribution.

This did not throw the discussions into disarray, and in fact one or two countries privately expressed sympathy for the UK's position.

It is not clear whether other countries think the UK's refusal to increase its contribution is a negotiating tactic or whether they are prepared to try to find another way round the shortfall. At this stage the shortfall is of course more than £5 million: the total still falls short even of £115 million.

DKN

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