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DEPARTMENT OF TRANSPORT
2 MARSHAM STREET LONDON SW1P 3EB

01-212 3434

Charles Powell Esq
Private Secretary
10 Downing Street
LONDON SW1

29 October '87

Prime Minister

CDP
30/x

Dear Charles,

PRIME MINISTER'S MEETING WITH THE FRENCH PRIME MINISTER IN
BERLIN ON 25 SEPTEMBER 1987

We were surprised to see from your letter of 25 September to Lyn Parker that M. Chirac raised the question of high speed rail services and the Channel Tunnel with the Prime Minister, and were on the point of suggesting that the Prime Minister should write to M. Chirac in somewhat robust terms when the French Government announced its decision to go ahead with the new high speed rail link between Paris and the Tunnel. On reflection, and having talked to our Embassy in Paris and to the FCO we concluded that there was no useful purpose in further debating the issue, and M. Chirac's office confirmed that they were not expecting the Prime Minister to follow up the discussion with a letter. Nevertheless it might be helpful if I briefly set out our reaction to the points made by M. Chirac.

It is perfectly true that from the opening of the Tunnel, or soon afterwards, the French will, on current plans, have in operation a new and very expensive high speed line between Paris and the Tunnel. Trains are expected to cover the 330 km from Paris to the coast in 80 minutes. It is also true that on the UK side the high speed trains coming through the Tunnel will almost certainly have to operate on BR's existing overcrowded and slow network. It will take 70 minutes - and at certain times of the day longer - to cover the 120 km between London and the coast. Even so BR's planned investment between London and the Tunnel to accommodate Channel Tunnel passenger trains is in excess of £200m. (The figures given to M. Chirac by his officials not only understate UK investment but also overstate French investment since the figure quoted by M. Chirac relates to French investment for traffic between Paris and Brussels and internal French traffic as well as Channel Tunnel traffic.)

The desirability of improving the capacity of the existing lines and shortening journey times on the UK side is well understood. Sooner or later something will have to be done as the recent Kent Impact Study made clear. BR have a remit to report back to my Secretary of State by next June on the options for improving the position. All options are likely to be expensive, but the receipt sharing agreement between BR and SNCF is constructed so that BR should get extra revenue for making improvements to the railway infrastructure which bring about quicker journey times and greater reliability. The major difficulties are likely to be environmental and Parliamentary. BR would need a Private Bill for land acquisition either to build new stretches of track or widen existing stretches to put in more lines.

The French know all this perfectly well - indeed SNCF are to be associated with BR's study of the possible options (which include a new line) for improving journey times and reliability. And in the meantime the receipts sharing formula rewards SNCF for any deficiencies in journey time and capacity caused by use of BR's existing network.

Ministers and officials here were therefore surprised that M. Chirac raised this issue. Both my Secretary of State and Mr Mitchell have been at great pains to explain on several occasions to the French Transport Minister, M. Douffiagues, that one of the reasons why the previous Channel Tunnel project failed in 1975 was the strong environmental objections to a new line in the UK and the excessive cost of meeting those objections. That is why we and Eurotunnel sought Parliamentary approval to the Tunnel project without raising the spectre of extensive new rail infrastructure in the UK. Unfortunately certain elements in the French Government seem to have got it into their heads that in some way we owe it to the French to drive a new high speed line through the London suburbs and Kent without regard to cost or environmental opposition. We are doing our best to get this bee out of the French bonnet.

My Secretary of State again explained our position to M. Douffiagues when he met him last Monday, and we hope that the steam has gone out of the issue for the present. The main thing is that we have done enough to convince the French that they can safely go ahead with their own high speed link without any comparable commitments on our side.

I am copying this letter to Lyn Parker.

Yours,
Jan.

J CUNLIFFE
Private Secretary

Germany PM 144 144 Ch Koll PV 7.



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