



the department for Enterprise

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INTERGOVERNMENTAL AGREEMENT ON SPACE STATION CO-OPERATION

I should be glad if you could agree to put arrangements in hand for the signing by the UK of this Agreement. This relates to the manned Space Station programme on which President Reagan offered co-operation to Western Europe, Canada and Japan at the London Economic Summit in 1984. Negotiations on an Intergovernmental Agreement between the States co-operating in the project have reached the point where a signing ceremony is planned in Washington around 23 September. We understand that the Americans are proposing that this should be in the White House in the presence of the President with the signature for the United States by Secretary of State Schultz.

The UK will be a participant in the Space Station endeavour through our membership of the European Space Agency's Columbus programme. The main long term benefit of the Agreement will come from access for UK industry and space scientists to the Space Station facilities. No financial obligations will directly arise for the UK from signature of the Agreement - these will only be created by the programme we enter in the European Space Agency and no new ones are involved for the present. If and when they do arise, they will be optional ones which we can chose to enter or not, and at whatever level we judge right.





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We have been glad to have the very full assistance of the Foreign Office, including particularly your legal advisors, in the drafting of the Agreement and also of an Interim Arrangement which will be signed at the same time to cover immediate co-operation matters. The other member states of the European Space Agency apart from Switzerland and Sweden, who have concerns over potential defence use of the Space Station, will also be signing the Agreement, as will Canada and Japan.

The Agreement will need to be ratified in due course and we have been alerted to a possible need for consequential legislation on matters to do with criminal jurisdiction and property rights, but this will be relevant only in the utilisation phase of the Space Station after 1997 so we have some time in hand to see to what should be minor legislation.

The negotiations on the Agreement did not succeed in removing all our objections to Article 19 dealing with the exchange of goods and data and familiar problems on extraterritoriality have persisted. Our officials are discussing what needs to be done here to register the UK position and your people will be in the picture on this.

Copies of this letter go to the Prime Minister, the Chancellor of the Exchequer, the Home Secretary, the Secretary of State for Defence, the Secretary of State for Education and Science, and the Lord President of the Council and Leader of the House of Commons.

H. L.
David



