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PART 5 begins:-

Rome to FCO Tel No. 218 - 27.3.71

PART 4 ends:-

G. Rippon to P.M. 26.3.71.

Cabinet Documents

CAS F. J. FIM(90)

Europeal Brief 51
JULY NO....

SECRET
CYPHER CAT. A

FM PARIS 001305Z

SECRET

DE DIP

TO FLASH FCO TEL NO 546 OF 8 MAY.

YOUR TEL NO 335: MONSIEUR SCHUMANN AND MEETING BETWEEN THE PRIME MINISTER AND PRESIDENT POMPIDOU.

1. I WENT TO SEE M. SCHUMANN IMMEDIATELY AFTER HE HAD RETURNED TO THE QUAI AFTER A TALK OF OVER AN HOUR WITH THE PRESIDENT. HE PUT A BRAVE FACE ON IT ALL BUT HE DID NOT FIND IT EASY. HE SAID THAT THINGS HAD GONE QUICKER THAN HE HAD EXPECTED DURING HIS ABSENCE IN MOSCOW. HE HAD DRAWN UP FOR THE PRESIDENT A LIST OF QUESTIONS WHICH IT WOULD BE NECESSARY FOR THE PRESIDENT TO RESOLVE WITH THE PRIME MINISTER AT SOME TIME IN THE FUTURE. THE FRENCH AGENDA WHICH THE PRESIDENT HAD SHOWN HIM THIS MORNING WAS VERY SIMILAR TO HIS LIST. THE MAIN ADDITION WAS THE LANGUAGE POINT WHICH M. SCHUMANN HAD NOT INCLUDED IN HIS LIST BUT TO WHICH THE PRESIDENT EVIDENTLY ATTACHED IMPORTANCE. THE PRESIDENT HAD ALSO SHOWN HIM THE POINTS THAT WE WISHED TO RAISE. DID I KNOW WHETHER THE WHOLE AGENDA WAS NOW AGREED? HE HAD NOT BEEN SURE IN HIS MIND ON LEAVING THE ELYSEE WHETHER OR NOT THIS WAS SO. I SAID THAT AS I SAW IT, IT WAS SO AND THAT I HAD SO INFORMED THE PRIME MINISTER. HE THEN RANG JOBERT TO CHECK ON THIS POINT AND GOT AN AFFIRMATIVE ANSWER.

2. I THEN TALKED ON THE LINES OF YOUR TEL UNDER REFERENCE. HE REPLIED THAT HE TOO WAS SORRY BUT THAT THE IMPORTANT THING WAS THAT PROGRESS SHOULD BE MADE AND IT WOULD OBVIOUSLY BE OF THE GREATEST BENEFIT TO THE NEGOTIATIONS IF THE PRESIDENT AND PRIME MINISTER COULD COME TO A MEETING OF MINDS.

3. AS TO THE POSSIBILITY OF FIXING NEW DATES FOR HIS PROPOSED VISIT TO LONDON, M. SCHUMANN SAID HE THOUGHT IT WAS BETTER TO WAIT AND SEE HOW EVENTS WENT BUT IN HIS VIEW A MEETING SUCH AS HAD BEEN ENVISAGED WOULD BE NECESSARY AT SOME POINT, BE IT BEFORE OR AFTER THE SUMMER BREAK.

SECRET

/s. I GAYS

*Copy given to Mr
Hartland v. McLean*

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4. I GAVE M. SCHUMANN AN OUTLINE OF THE INFORMATION CONTAINED IN YOUR TEL NO 313 AND SAID THAT MY COUNSELLOR (INFORMATION) WOULD GO INTO THIS IN MORE DETAIL WITH HIS PRIVATE OFFICE IMMEDIATELY AFTER LUNCH. M. SCHUMANN SAID THAT THE IMPORTANT THING WAS TO STRESS THAT IT WAS IN BRUSSELS THE THE NEGOTIATIONS HAD TO BE DECIDED AND THAT IT WAS THERE THAT THE FRUITS OF THE MEETING BETWEEN THE PRIME MINISTER AND THE PRESIDENT WOULD BECOME EVIDENT.

5. I THEN ASKED M. SCHUMANN WHETHER HE COULD COME TO DINNER IN THE EMBASSY TO HAVE A TALK WITH YOU ON 17 MAY (YOUR TEL NO 299 AND MY TEL NO 530). HE LOOKED IN HIS DIARY AND SAW THAT HE HAD ALREADY COMMITTED HIMSELF TO A DINNER IN THE GERMAN EMBASSY WHICH HE HAD ALREADY HAD TO POSTPONE ONCE. BUT HE WOULD BE DELIGHTED TO SEE YOU WHILE YOU WERE IN PARIS. HE SUGGESTED 17.00 ON 18 MAY, ADDING THAT IF THIS DID NOT SUIT YOU HE WOULD AGREE TO ANY TIME CONVENIENT TO YOU.

SOAMES

[COPIES SENT TO NO.10 DOWNING STREET].

P R I S E C:

10/5/58

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Foreign and Commonwealth Office document

Reference CDL/3 Departmental series
Description Visit of the Chancellor of the Duchy
of Lancaster to the capitals of the
member countries of the EEC
Date Autumn 1970 to Spring 1971

The above FCO document, which was enclosed on this file has been removed and destroyed.

Such documents are the responsibility of the Foreign and Commonwealth Office. When released they are available in the appropriate FCO CLASSES.

Signed J. R. Green

Date 30 January 2001

J R Green
Prime Minister's Office Records
Hepburn House
Marsham Street

CONFIDENTIAL

8 May 1971

The Prime Minister was grateful for the minute which the Foreign and Commonwealth Secretary sent to him on 7 May, PM/71/55, on the question of whether the Chancellor of the Duchy of Lancaster should accompany him when he goes to see President Pompidou.

The Prime Minister appreciates the offer, but he thinks that it would be impossible to maintain our presentational position if the Chancellor of the Duchy came to Paris with him.

I have suggested that he should explain this to the Chancellor of the Duchy of Lancaster when the Chancellor goes to Chequers on 9 May.

FTA

J.A.N. Graham, Esq.,
Foreign and Commonwealth Office

CONFIDENTIAL

PRESS NOTICE

Not to be published or broadcast or used on Club Tapes
before 1600 hours B.S.T. on Saturday 8 May 1971

The President of the French Republic and the Prime Minister consider that a meeting to discuss matters of common interest would now be useful. The President of the Republic has accordingly invited the Prime Minister to visit Paris on 20 and 21 May, and the Prime Minister has accepted this invitation with pleasure.

10 Downing Street,
S W 1.

8 May 1971

SECRET AND PERSONAL

RTA said
that this was
surplus to requirements

PRIME MINISTER

Meeting with M. Pompidou

The attached note about the arrangements was written after a talk with Denis Greenhill and Burke Trend. I have certain reservations:

(1) It is arguable that it would be better to have Michael Palliser rather than Mr. Soames on the preparatory mission. This would give continuity with your talk, if Palliser is to go with you as your interpreter; and I think Mr. Soames may be too big a gun for the preparatory mission. But if Mr. Soames wants to do it, you will hardly want to deny him.

(2) It would obviously be sensible to have John Robinson on the mission. But:

(i) He is F.C.O., not a personal emissary; Mr. Soames will advise very strongly against including him, because of the importance which the Elysée attach to this being a talk between personal staffs;

(ii) He cannot be at all the briefings, because he must support Mr. Rippon in Brussels.

(3) We have talked about two days for the preparatory mission; but I suspect that one day may be enough. The Elysée are talking about the middle of this week, but that may be too soon for us. The

Elysée could not do Friday 14 May, so it looks like Thursday 13 May, Saturday 15 May or Monday 17 May. I would favour the Saturday or the Monday.

Mr. Soames is very anxious for a tête à tête talk with you. I think that you should find time for this: it is very important that he should know your thinking at this juncture, and it will help to prevent him feeling left out.

RIA

8 May 1971

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PRIME MINISTER

Meeting with M. Pompidou

The announcement is to be made (barring accidents) at 4.00 p.m. today in London and Paris. Ambassadors of the other "five" countries will be told at 3.00 p.m. I thought that you would want to send the Federal Chancellor a personal message, in view of your talk with him earlier in the week and I have sent a telegram to Roger Jackling with a personal message which I have asked him to deliver to the Chancellor in the early afternoon of Saturday and, in any case, not later than 3.00 p.m.

I considered, and discussed with Burke Trend and Denis Greenhill, whether you should also send a personal message to M. Pompidou. We came to the conclusion that the whole matter was being handled without personal messages, and there was nothing to be gained by sending one at this stage. If you are disposed to send a message saying how glad you are that it has been possible to fix it all up we could do so on Sunday or Monday.

Briefing

Briefs for the meeting have been commissioned and are in preparation. The process of drafting is due to be complete by the middle of next week. In the meantime, you asked for provisional drafts for weekend reading: Sir William Nield has provided the attached first drafts of five of the briefs.

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Briefing discussions

You will want to have a nucleus of people at all the briefing meetings. This should, in my view, be Sir William Nield and Mr. Thornton (apart from No. 10). We would invite one or two experts for each meeting. For the last round-up meeting we should ask Burke Trend and Denis Greenhill. You may also want to ask the Foreign and Commonwealth Secretary and Mr. Soames for the last meeting. The Chancellor of the Duchy of Lancaster will be out of London all week.

The programme of briefings which I should like (after talking to Burke Trend and Denis Greenhill) to suggest is as follows:-

Monday 10 May	3.00 p.m. Agriculture and Community Finance (expert: Mr. M. Franklin, M.A.F.F.)
Tuesday 11 May	4.00 p.m. Future of Europe: Community Institutions: European Defence (experts from F.C.O. and Ministry of Defence)
Wednesday 12 May	10.30 a.m. Sterling and capital movements (experts: Mr. Neale, Treasury and Mr. Morse, Bank of England)
Thursday 13 May	4.00 p.m. New Zealand and Sugar (expert: Mr. Kearns or Mr. Franklin M.A.F.F.)
Friday 14 May	10.30 a.m. at Chequers general round-up briefing.

Preparatory Mission

The members of the preparatory mission should (so far as possible) be at all these meetings. This means that they can not leave for Paris until after lunch on Friday 14 May. We should suggest to the Elysée that

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the briefing meetings should be on 15 and 17 May, or 17 and 18 May.

The suggestion is that the preparatory mission should consist of the Ambassador, Mr. Thornton and Mr. Robinson. It is also suggested that, if you agree, I should also be included in the preparatory mission. This would emphasise that you are sending a "personal emissary", and it would give me a chance for some discussion of the detailed arrangements. I hope that I might also be able to make some contribution to the preparatory discussions of the agenda.

Your Own Visit

It is suggested that, when you go to Paris, you should be accompanied by Sir Denis Greenhill, Sir Con O'Neill, Sir William Nield and Mr. Thornton (and Mr. Maitland, Mr. Moon, Mr. Hurd and me). I think that we should also arrange for some of the experts to be in Paris at that time, though not formally as members of your party. These might include Mr. Robinson, Mr. Franklin and Mr. Bell.

It is suggested that you should be accompanied by Mr. Palliser as interpreter/note-taker.

8 May 1971

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(NW)

FM FCO 081035Z

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GILL

DESKBY 081230Z

TO FLASH BONN TELNO 368 OF 8/5 AND TO FLASH ROME HAGUE BRUSSELS
CODEL BRUSSELS LUXEMBOURG WASHINGTON WELLINGTON INFO FLASH PARIS
MY TWO IMMEDIATELY PRECEDING TELEGRAMS.

FOLLOWING IS GUIDANCE.

THE PRIME MINISTER HAS ALREADY BEEN TO BONN TO SEE BRANDT AND
COLOMBO HAS ACCEPTED AN INVITATION TO VISIT LONDON AT THE END
OF JUNE. IT IS NATURAL THAT THE PRIME MINISTER AND PRESIDENT
POMPIDOU SHOULD ALSO WISH TO MEET AND THE PRESENT MOMENT IS
OBVIOUSLY A PARTICULARLY VALUABLE ONE FOR SUCH A MEETING.

2. WE EXPECT THE DISCUSSION BETWEEN THE PRESIDENT AND THE PRIME
MINISTER TO BE WIDE RANGING, BUT EUROPE WILL CLEARLY BE AT
THE CENTRE OF THEIR AGENDA. NEGOTIATIONS FOR OUR ENTRY INTO THE
EUROPEAN COMMUNITY ARE WITH THE COMMUNITY AND MUST BE CONCLUDED
IN BRUSSELS. AS AT THE PRIME MINISTER'S MEETING WITH BRANDT, THE
PRIME MINISTER WILL WANT TO DISCUSS WITH PRESIDENT POMPIDOU HOW
HE SEES THE ROLE OF WESTERN EUROPE VIS-A-VIS THE REST OF THE WORLD.
THEY WILL ALSO NO DOUBT TAKE STOCK OF THE PROGRESS REACHED IN THE
NEGOTIATIONS IN BRUSSELS, AND MAY WELL DISCUSS INDIVIDUAL ITEMS
IN ORDER TO SEE HOW PROGRESS CAN BEST BE MADE IN THE FURTHER
NEGOTIATIONS. IF ASKED WHETHER IT WILL BE A PURPOSE OF THE PRIME
MINISTER'S MEETING WITH PRESIDENT POMPIDOU TO AGREE THE DETAILS
OF ENTRY TERMS IN PARTICULAR FIELDS, YOU SHOULD SAY THAT THIS IS
NOT THE CASE: THESE MATTERS ARE FOR COLLECTIVE DISCUSSION IN
BRUSSELS. BUT A GENERAL UNDERSTANDING ON THE MAIN ISSUES BETWEEN
PARIS AND LONDON IS LIKELY TO FACILITATE A SUCCESSFUL CONCLUSION
TO NEGOTIATIONS IN BRUSSELS, AND THIS POINT HAS OBVIOUSLY BEEN
IN THE MINDS OF A NUMBER OF MINISTERS OF COMMUNITY COUNTRIES. /3. THE

SECRET

3. THE MINISTERIAL MEETINGS IN BRUSSELS NEXT WEEK LOSE NONE OF THEIR IMPORTANCE IN THE LIGHT OF TODAY'S ANNOUNCEMENT. ON THE CONTRARY NOTHING WOULD BE A MORE USEFUL AND IMPORTANT PRELUDE THAN PROGRESS IN BRUSSELS NEXT WEEK. WE CONTINUE TO ATTACH THE GREATEST IMPORTANCE TO CONCLUDING ON THE MAIN ISSUES OUTSTANDING IN BRUSSELS ON JUNE 21-22.

4. IF ASKED WHEN THE MEETING WAS ARRANGED, YOU SHOULD SAY THAT THERE HAVE BEEN CONTACTS BETWEEN PARIS AND LONDON IN THE LAST FEW DAYS AS A RESULT OF WHICH THE MEETING HAS JUST BEEN ARRANGED.

5. FOR YOUR OWN INFORMATION ONLY, YOU SHOULD KNOW THAT THE DATES OF 20-21 MAY PROVED TO BE MOST CONVENIENT FOR THE FRENCH PRESIDENT WHO SUGGESTED THEM. IN CONSEQUENCE, SCHUMANN'S VISIT TO LONDON ON THOSE DATES HAS BEEN POSTPONED.

DOUGLAS-HOME

EUROPEAN ECONOMIC AND
POLITICAL (SECRET) DISTRIBUTION

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(NM)

FM FCO 081035Z

SECRET

GILL

DESKBY 081230Z

TO FLASH BONN TELNO 367 OF 8/5 AND TO FLASH ROME HAGUE BRUSSELS
CODEL BRUSSELS LUXEMBOURG WASHINGTON WELLINGTON INFO FLASH PARIS
MY IMMEDIATELY PRECEDING TELEGRAM. FOLLOWING IS TEXT OF
ANNOUNCEMENT.

THE PRESIDENT OF THE FRENCH REPUBLIC AND THE PRIME MINISTER
CONSIDER THAT A MEETING TO DISCUSS MATTERS OF COMMON INTEREST
WOULD NOW BE USEFUL. THE PRESIDENT OF THE REPUBLIC HAS
ACCORDINGLY INVITED THE PRIME MINISTER TO VISIT PARIS ON 20 AND 21
MAY, AND THE PRIME MINISTER HAS ACCEPTED THIS INVITATION WITH
PLEASURE.

DOUGLAS-HOME

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F L A S H

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(KW)

FM FCO 081035Z

SECRET

GILL

DESKBY 081230Z

TO FLASH BONN TELNO 366 OF 8/5 AND TO FLASH ROME HAGUE BRUSSELS
CODEL BRUSSELS LUXEMBOURG WASHINGTON WELLINGTON INFO FLASH PARIS
MY FIRST IMMEDIATELY FOLLOWING TELEGRAM CONTAINS THE TEXT OF AN
ANNOUNCEMENT WHICH WILL BE MADE SIMULTANEOUSLY IN LONDON AND IN
PARIS AT 1600 HOURS BST. (1500 GMT) TODAY.

2. THIS TEXT IS STRICTLY FOR YOUR OWN INFORMATION ONLY UNTIL THE
TIME OF THE ANNOUNCEMENT. THE AMBASSADORS OF THE OTHER FIVE
COMMUNITY COUNTRIES ARE BEING INFORMED BY THE CHANCELLOR OF THE
DUCHY OF LANCASTER ONE HOUR BEFORE THE ANNOUNCEMENT IS MADE. THE
REPRESENTATIVE OF THE COMMISSION IN LONDON AND THE NEW ZEALAND
HIGH COMMISSIONER WILL ALSO BE TOLD BEFORE THE ANNOUNCEMENT.
MY SECOND IMMEDIATELY FOLLOWING TELEGRAM GIVES THE LINE TO TAKE
WITH THE GOVERNMENT TO WHICH YOU ARE ACCREDITED AND THE PRESS IN
ANSWERING ANY QUESTIONS.

DOUGLAS-HOME

EUROPEAN ECONOMIC AND
POLITICAL (SECRET) DISTRIBUTION
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S E C R E T

SUBJECT

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T93^A/71

46

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CYRUS/CAP A

COPY NO.....

FM FCO 680938Z

DEDIP

SECRET

TO FLASH DOWN TELNO 365 OF 8/5

PERSONAL FOR AMBASSADOR. MIPT.

FOLLOWING IS TEXT OF MESSAGE:-

QUOTE SINCE WE MET ON THURSDAY I HAVE HEARD FURTHER FROM
PRESIDENT POMPIDOU. WE HAVE AGREED THAT A MEETING TO DISCUSS
MATTERS OF COMMON INTEREST WOULD NOW BE USEFUL, AND I HAVE
ACCEPTED HIS INVITATION TO VISIT PARIS ON 20 AND 21 MAY. THIS
WILL BE ANNOUNCED THIS AFTERNOON.

THE MEETING WILL GIVE US A CHANCE TO DISCUSS A WIDE RANGE OF
SUBJECTS, BUT OF COURSE THE FUTURE OF EUROPE, AND HOW TO MAKE
PROGRESS IN THE ENLARGEMENT NEGOTIATIONS, WILL BE AT THE HEART
OF IT. IF THE MINISTERIAL MEETINGS IN BRUSSELS NEXT WEEK CAN SHOW
REASONABLE PROGRESS, IT COULD BE VERY TIMELY TO BE ABLE TO FOLLOW
THAT UP IN DIRECT CONVERSATIONS WITH PRESIDENT POMPIDOU.

IT WAS A GREAT PLEASURE TO SEE YOU HERE THIS WEEK, AND YOUR
VISIT WAS A GREAT SUCCESS. BOTH YOUR SPEECH AT THE GUARDIAN DINNER
AND YOUR MEETING WITH MEMBERS OF PARLIAMENT HAVE DONE GOOD: AND
I WAS VERY GLAD OF THE OPPORTUNITY OF A FURTHER TALK WITH YOU.

WITH EVERY GOOD WISH TO YOU.

EDWARD HEATH UNQUOTE

DOUGLAS-HOME

/COPIES SENT TO NO 10 DOWNING ST/

PRISNO

SECRET

S E C R E T

F L A S H

CYPHER/CAT A

FM FCO 080930Z

DEDIP

SECRET

TO FLASH BONN TELNO 364 OF 8/5

FOLLOWING PERSONAL FOR AMBASSADOR FROM ARMSTRONG, 12 DOWNING STREET.
AN ANNOUNCEMENT IN THE FOLLOWING TERMS IS TO BE ISSUED IN LONDON
AND PARIS AT 1600 HOURS TODAY.

QUOTE THE PRESIDENT OF THE FRENCH REPUBLIC AND THE PRIME MINISTER
OF THE UNITED KINGDOM CONSIDER THAT A MEETING TO DISCUSS MATTERS
OF COMMON INTEREST WOULD NOW BE USEFUL. THE PRESIDENT OF THE
REPUBLIC HAS ACCORDINGLY INVITED THE PRIME MINISTER TO VISIT
PARIS ON 20 AND 21 MAY, AND THE PRIME MINISTER HAS ACCEPTED THIS
INVITATION WITH PLEASURE UNQUOTE.

2. AMBASSADORS OF OTHER E.E.C. COUNTRIES IN LONDON AND PARIS
WILL BE INFORMED AT 1500 HOURS.

3. THE PRIME MINISTER WOULD BE GRATEFUL IF YOU WOULD CONVEY TO
THE FEDERAL CHANCELLOR THE PERSONAL MESSAGE CONTAINED IN MIFT,
TO REACH HIM EARLY THIS AFTERNOON, AND IN ANY CASE NOT LATER THAN
1500 HOURS.

DOUGLAS-HOME

[COPIES SENT TO NO. 10 DOWNING STREET]

P R I S E C

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FM PARIS 181241Z

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TO FLASH FCO TEL NO 543 OF 8 MAY.

M I P T .

1. FOLLOWING IS DRAFT PROGRAMME PROPOSED BY PRESIDENT POMPIDOU FOR MEETING BETWEEN PRIME MINISTER AND HIMSELF.

THURSDAY 20 MAY.

10.15 AM APPROX PRIME MINISTER ARRIVES (OR, IF PRIME MINISTER WOULD PREFER IT, EVENING OF 19 MAY).

MET AT AIRPORT BY M. CHABAN-DELMAS.

11 OR 11.30 AM (ACCORDING TO TIME OF ARRIVAL) - 12.30 PM

TALKS AT THE ELYSEE WITH PRESIDENT POMPIDOU (ALONE).

1.15 PM

LUNCH AT THE ELYSEE. MEN ONLY.

3.30-5.30 PM

MORE TALKS WITH PRESIDENT POMPIDOU (ALONE).

6.30 PM

(IF THE PRIME MINISTER WOULD LIKE TO DO THIS) LAY WREATH ON TOMB OF THE FRENCH UNKNOWN SOLDIER AT THE ARC DE TRIOMPHE.

8.30 PM

DINNER AT THE ELYSEE. LADIES INCLUDED.

FRIDAY 21 MAY.

10.30 AM-12.30 PM MORE TALKS WITH PRESIDENT POMPIDOU.

M. CHABAN-DELMAS JOINS IN ABOUT MID-DAY.

1.15 PM

LUNCH AT THE EMBASSY, TO WHICH THE PRESIDENT "WOULD BE GLAD TO COME IF HE WERE INVITED".

AFTER LUNCH

TIMING LEFT VERY OPEN, WITH PERHAPS A FURTHER TALK OF SUBSTANCE AND IN ANY CASE A CONCLUSION TO THE MEETING AND A COMMUNIQUE.

THE PRIME MINISTER WOULD LEAVE AT THE TIME HE WISHED IN THE LATE AFTERNOON OR EVENING.

FCO PLEASE PASS ADVANCE COPIES TO NO. 10 DOWNING STREET.

SOAMES

[COPIES SENT TO NO 10 DOWNING STREET]

P R I S E C

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CYPHER CAT A

FM PARIS 081035Z

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DEDIP

TO FLASH FCO TEL NO 542 OF 8 MAY.

MY TELNO 541: PRIME MINISTER'S MEETING WITH PRESIDENT POMPIDOU.

1. FOLLOWING IS FURTHER ACCOUNT PROMISED OF MY TALK WITH JOBERT LAST NIGHT.
2. I TOOK HIM THROUGH THE PROPOSED LINE FOR USE WITH THE PRESS AND OTHER INTERESTED GOVERNMENTS IN YOUR TEL NO 303. HE SAID HE LIKED THIS AND THE FRENCH WOULD TAKE A SIMILAR LINE. THEIR THEME WOULD BE THAT THE FRUITS OF THE MEETING BETWEEN THE PRIME MINISTER AND THE PRESIDENT WOULD BE SEEN IN THE JUNE MEETING IN BRUSSELS (CF THE LAST SENTENCE OF PARA 3 OF YOUR TEL UNDER REFERENCE). THE ONLY SPECIFIC COMMENT JOBERT MADE ON OUR GUIDANCE WAS TO SAY, WITH REFERENCE TO YOUR PARA 1, THAT THE MORE REFERENCES THERE COULD BE TO ANY OTHER HIGH-LEVEL CONTACTS BETWEEN THE PRIME MINISTER AND GOVERNMENTS OF THE FIVE, THE BETTER.
3. JOBERT AGREED ON THE TIMINGS IN YOUR TEL NO 302. HE TOLD ME ABOUT COURCEL (PARA 1 OF MY TEL UNDER REFERENCE). HE SAID THAT M. CHABAN-DELMAS HAD BEEN INFORMED ABOUT THE MEETING BY PRESIDENT POMPIDOU AT 1.00 PM THAT AFTERNOON. I TOLD HIM THAT, WHEN I WAS SUMMONED BY M. SCHUMANN (I EXPECT THIS TO BE BEFORE OR IMMEDIATELY AFTER LUNCH TODAY), I WOULD BE TELLING HIM, WITHOUT MENTIONING A SPECIFIC DATE, THAT YOU HOPED IT WOULD BE POSSIBLE FOR HIS POSTPONED VISIT TO THE UK TO TAKE PLACE BEFORE THE SUMMER HOLIDAYS (YOUR TELNO 305).
4. JOBERT THEN GAVE ME AN OUTLINE OF THE PROGRAMME WHICH THE PRESIDENT PROPOSED FOR HIS MEETING WITH MR. HEATH. DETAILS ARE IN MY IMMEDIATELY FOLLOWING TELEGRAM. I HOPE THE PRIME MINISTER WILL BE SATISFIED WITH THIS PROGRAMME: IT STRIKES ME AS EXACTLY WHAT

/ME

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MR ARMSTRONG

Preparations for the Bi-Lateral

1. My Inner Group of the Official Committee on Europe this afternoon went through the whole of the agreed agenda for the bilateral. On every item there are either completed first drafts, or drafts well advanced in preparation. The Group will meet again next Thursday (i.e. when its members are back from Brussels) to finalise all the drafts.
2. Meantime, in case the Prime Minister has spare time to look at first drafts of five of the briefs, I attach copies of these - on Community Finance, Commonwealth Sugar, Agricultural Transition and Community Preference, Community Enterprise and Inward Investment, and the Yaounde Convention.
3. As I emphasised orally to the Prime Minister and yourself, these are very much first drafts sent forward now because of the limited free time the Prime Minister will have before the bilateral.
4. I should also emphasise that, apart from important amendments officials will wish to make on the drafts the eventual content of the drafts depends very much on whether the Six make any significant moves on Monday and Tuesday, or not. This is particularly true in respect of Community Finance where we have just got first indications of a somewhat sibylline French proposal.
5. The drafts in their final form in a week's time will have attached to them "points to make" and perhaps "points for caution" of a very few lines a piece; but not, unless the Prime Minister wishes it, speaking notes. I also have in mind to sharpen up the presentation of the first drafts so that the main drift and points in them come out more clearly.

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6. I am sending with these reports a special report of some interest, and think the Prime Minister should also see telegram No. 581 from Bonn of 4 May, in which Sir Roger Jackling reports a new and more favourable attitude on the part of the German Government.

[~~at home~~
in shape
by 18
Casper]

~~W.N.~~

WILLIAM NIELD

7 May 1971

SECRET

CONFIDENTIAL

PRIME MINISTER

PM/71/55

*I approve
but he will be
the for
- possible to continue
presented position
of the case to Paris
AT 7/1*

I have been thinking about your talks with Pompidou which will be announced tomorrow. I imagine you will want to keep the main talks themselves limited to you and Pompidou with interpreters/note takers. I have a feeling it would be very useful if Geoffrey Rippon could also be on hand in Paris for you to refer to when necessary. He would attend the social functions and be at your disposal to give advice, particularly over detailed matters relating to the negotiations.

2. On the other side there is the argument that Pompidou might not want the visit to look too much like a negotiation and might feel that if Geoffrey were there he would be obliged to bring Schumann in. But Schumann will be in Paris anyway, and we could emphasise to Pompidou that Geoffrey would only be with you to give advice if required. On balance, therefore, I think that Geoffrey should accompany you.

3. Of course you must decide this for yourself and I know Geoffrey will be happy to go along with what you decide. But I think it is important to make the decision now because the press will be asking tomorrow who will be going with you. If Geoffrey is to go we would want to announce it then and we would want to be able to tell the French beforehand.

(ALEC DOUGLAS-HOME)

7 May. 1971

Foreign and Commonwealth Office, S.W.1.

IMMEDIATE
CYPHER CAT/A

SECRET

COPY NO. 12

FM F C O 671443Z

D E D I P

SECRET

TO IMMEDIATE WASHINGTON TELEGRAM NUMBER 1302 OF 7.5.71.

FOLLOWING PERSONAL FOR AMBASSADOR.

AFTER INFORMAL EXCHANGES BETWEEN POMPIDOU'S STAFF AND H.M. AMBASSADOR PARIS, IT HAS BEEN AGREED THAT THE TIME HAS COME WHEN A MEETING BETWEEN THE PRIME MINISTER AND POMPIDOU WOULD BE USEFUL. POMPIDOU HAS NOW INVITED THE PRIME MINISTER TO VISIT PARIS ON 20-21 MAY AND THE PRIME MINISTER HAS ACCEPTED. A JOINT ANNOUNCEMENT WILL BE MADE ON 8 MAY.

2. THE PURPOSE OF THE VISIT WILL BE PRIMARILY TO DISCUSS EUROPEAN POLICY AND THE MAIN OUTSTANDING ISSUES IN OUR NEGOTIATIONS FOR ENTRY INTO THE EUROPEAN COMMUNITIES.

3. EUROPEAN DEFENCE POLICY IS LIKELY TO BE DISCUSSED IN VERY GENERAL TERMS ONLY.

4. THE ABOVE IS FOR YOUR OWN PERSONAL INFORMATION ONLY AT THIS STAGE. INSTRUCTIONS TO INFORM THE UNITED STATES GOVERNMENT VERY SHORTLY BEFORE THE PUBLIC ANNOUNCEMENT WILL BE SENT TO YOU LATER.

DOUGLAS-HOME

P R I S E C:

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7 May, 1971.

Prime Minister's Visit to Paris

In my letter of 21 April setting out the case as I saw it for a meeting between the Prime Minister and President Pompidou, I put forward certain suggestions about the broad line which their discussions might take on certain issues outside the immediate context of the negotiations. The meeting is no longer a hypothesis, but a certainty: and the French have given us their shopping list. It may therefore be useful if I expand on one or two of the ideas touched on in my earlier letter and in my subsequent meetings in London, which seem to me of particular importance to the success of this crucial event.

2. The Prime Minister will obviously have his own very clear ideas on the message which he wishes to get across here, and no-one could need less prompting than he on any European issue. But my personal dealings over the past months with Pompidou and his close advisers have lead me to certain conclusions about

- (a) what might be the best way for us to approach the core of the problem - the unresolved issues of our negotiations - and
- (b) what will be in the back of Pompidou's mind when he listens to the Prime Minister.

These thoughts are the subject of this letter.

/3.

Sir Denis Greenhill, KCMG, OBE,

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3. On the first point my belief is that it would be right for the Prime Minister to begin by setting the specific problems on which an understanding has to be reached into a fairly cosmic perspective. I said in my earlier letter that the President is no visionary. That is certainly the case. But at the same time he wants to put a hallmark of his own on European history - which he realises is at a turning point - and has not yet found one. He is well aware of the success which his predecessor had amongst broad sections of French opinion with his grandiose fantasy of a Europe stretching from the Atlantic to the Urals and his assiduous cult of the myth of French might. Pompidou has so far put little or nothing in their place. He has delivered a shallow treatise on confederalism (of which he is particularly proud) but apart from that has done no more than open the door like a reluctant concierge to four prospective new tenants and follow them around muttering that, if they sign the lease, the furniture must not be moved about. He needs to be persuaded that, if this deal goes through, the value of the premises will be enormously enhanced and that he will go down in history as the man who pulled it off for France.

4. The first step in this direction would, as I see it, be for the Prime Minister to tell Pompidou why we want to join the Community i.e. because we see it as the beginning - and the only possible beginning - to a great enterprise on which we believe British and French views to be fundamentally convergent. This would lead the Prime Minister naturally into an exposition of his own conception of a united Europe with a distinctive personality of its own, free of economic, political, military or monetary vassallage and deriving its cohesion from the voluntary interlocking of nation states pursuing common objectives. This would provide in turn a suitable context in which the Prime Minister could set out his views on the

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obvious inevitability of unanimity in the definition of common policies and the need for fresh thinking about institutional forms (bearing in mind the thoughts that Pompidou himself has expressed). It would also enable the Prime Minister to think aloud, if he wished, about the long term desirability of a European defence potential in which closer Anglo-French cooperation will be the key element.

5. The purpose of all this would not be to make Pompidou feel that he was being made a specific offer - and least of all that he was in the presence of a take-over bid. The object would be to encourage him to see profit and attraction in the prospect of partnership with us: to see the negotiations as an opportunity rather than a risk - an opportunity of bringing in a valuable and genuinely European ally, rather than a risk of Atlantic dilution of the Community - and to see himself as a man of destiny. If he can be brought to approach the specific problems of the negotiations in this frame of mind, I believe they will prove soluble. It will, of course, be no easy task to engender it in a man of Pompidou's background and character. Macaulay once said of Dryden that his imagination resembled the wings of an ostrich: it enabled him to run, though not to soar. One could say much the same of Pompidou. But for the sake of his own political survival he needs very much to show that he can fly (and not just in Concorde!) - and he could, I believe, be persuaded that the European wind current now blowing offers him a unique chance for so doing. But he will need to shed ballast first.

6. This brings me to the second question I raised at the beginning. What will be in Pompidou's mind when he talks to the Prime Minister? First, of course, will be French national interests in a pretty narrow sense - whether over preferences, the preservation of the Community's agricultural and financial rules or the defence of the French language. But these are

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concrete issues and thus, in greater or lesser degree, negotiable. What is more difficult to get at - and it is precisely this which we need to rid him of - is the residual legacy of mistrust and disbelief about Britain which he inherited from the General and which he has instinctively anyway. These feelings are being assiduously worked on by those on both the right and the left who, for one reason or another, are opposed to British entry. Pompidou has never identified himself with these people but he is not unaffected by some of their arguments.

7. There are two areas of doubt. The first relates to our willingness to play the Community game according to the rules, particularly in the agricultural and financial fields. The second concerns our relations with the world outside Europe. The first was dealt with in the paper enclosed with my letter of 21 April, and there is no need for me to repeat what I said there. As to the second area of doubt, this is, I am certain, the origin of much of our trouble with the French. They are not yet convinced that we are ready to accept the role of a straight European power without strings. They see us as seeking more or less permanent arrangements for part of the Commonwealth: and as being under a continuing heavy commitment to the Americans - firstly because of our disinclination to diminish the reserve role of our currency and our consequent reliance on the dollar, and secondly because of our defence links, especially our dependence upon them in the nuclear field. This means, so the argument runs, that in all important matters we shall take the Americans' side - whether in major issues of foreign policy (e.g. Vietnam) or as we are alleged to have done in the Kennedy Round and are feared likely to do again if there is a further US initiative in the international trade field after enlargement. Only this time we would be more of a risk to the Community than when they were defending the common external tariff in the Kennedy Round because we should be inside their perimeter wire.

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8. It is easy to write these doubts off as a convenient cover for French greed and jealousy. To some extent and in some cases they are. But they also run deeper. The French can expect no material gain from the reduction of the sterling balances and little benefit from the total rather than gradual abolition of the preferential access to the London capital market at present enjoyed by the Commonwealth. Equally the addition of one or two percentage points to our scale of contribution to the Community budget during the transitional period will not make much practical difference to what the French at present pay to or receive from the Fund. It would therefore be wise to assume - at least so far as Pompidou is concerned - that in pressing French demands on these and other issues he is genuinely, if erroneously, motivated by the doubts to which I have referred.

9. What Pompidou needs is to hear from the lips of the Prime Minister himself that these fears and misgivings are unfounded. If he can convince the President that, contrary to all that has been, and is being, said, our European policy stems from a desire no less deep than his own to see an effective and really independent Europe - and that this is precisely why we have posed our candidature - we shall be in the straight and not very far from the post. It will be no easy task to dispel these suspicions from the mind of a man who is in any case of a mistrustful nature. But the Prime Minister has two very important assets in his favour. The first is that his own European sincerity is regarded here today, as it always has been, even by our opponents as unimpeachable. The second is the esteem in which the President is known to hold him and his policies and M. Pompidou's belief that Mr. Heath is a man with whom he can do business.

--- 10. I enclose two extra copies of this letter, one of which you may care to pass to Robert Armstrong.

(Sgd.) Christopher Soames

SECRET

CONFIDENTIAL

Mr. Ingham
7th May 1971.

PRIME MINISTER

Copies: Mr. Armstrong
Mr. Maitland

EUROPE

You asked for any further thoughts since my last minute on the subject a fortnight ago, which I attach.

I also attach David Watt's article in the Financial Times today, which is worth reading in full.

It is probably most useful to work backwards in time from the date when the House of Commons would be asked to vote in principle. As you know the Chief Whip's present inclination, reflected in the Watt article, is that there should not be a vote in principle before the Summer Recess. This is because he rates so highly the danger of appearing to rush Members of Parliament before they have had time to listen to their constituents. My own view is that the dangers of allowing Members to go away for the Recess without taking a vote in principle are probably the greater, and that it would be worth sitting well into August for this purpose.

Working backwards, the month of July should then be available, if all goes well, for strenuous persuasion at all levels. I suggested to MW that

/...

he should draw up a possible plan for this and he is now doing so. He envisages three separate activities:

- (a) Departmental Ministers defending the implications of a settlement in their particular sector, e.g. regional policy, agriculture and horticulture, fisheries, social services etc.
- (b) A major exercise on prices aimed at a mass audience, using plenty of radio and television. There is a good deal of material on this which will come to many people as new, e.g. the disappearance of the EEC butter surplus and the rapid rise of world food prices outside the EEC.
- (c) The affirmation of the importance of membership for the future well-being of this country. This high-level approach would be in your hands, with help from Sir Alec.

Working backwards again, the main benefit of the Paris visit from the political point of view is that it would set the stage for (c) above. The timing and character of the visit seem to be working out about right for this purpose. The danger will lie, not so much in the visit itself appearing to fail, as in the lack of a visibly effective follow-up during the succeeding weeks.

The question of your next major television appearance must now be closely related to Europe and the Paris visit. I know that DM hopes to discuss this with you soon. It seems to me that in these changed circumstances the arguments for a substantial appearance on ITN are very strong. This would be as soon as possible after your statement to the House on return from Paris. The news peg for the programme would be Paris, but it would enable you to relate the European policy to the rest of your policies for getting away from the shuffles and retreats of the past.

Might there be something to be said for some approach to the Labour Party soon after your return from Paris? For example you could invite Mr. Wilson, accompanied by colleagues if he thought fit, to a confidential briefing in Downing Street. He might well refuse, but the object would be to show the Labour Europeans that you regarded this as a national enterprise with which you would ideally like the Opposition to be associated.

DOUGLAS HURD




Prime Minister

You could perhaps explain to Mr Rippin on Sunday why you think it better for him not to accompany you to Paris.

REA

7.v.71.

I sent a reply to John
Graham.
REA


CONFIDENTIAL

PRIME MINISTER

PM/71/55

He is the only one who can do this
for

I have been thinking about your talks with Pompidou which will be announced tomorrow. I imagine you will want to keep the main talks themselves limited to you and Pompidou with interpreters/note takers. I have a feeling it would be very useful if Geoffrey Rippon could also be on hand in Paris for you to refer to when necessary. He would attend the social functions and be at your disposal to give advice, particularly over detailed matters relating to the negotiations.

2. On the other side there is the argument that Pompidou might not want the visit to look too much like a negotiation and might feel that if Geoffrey were there he would be obliged to bring Schumann in. But Schumann will be in Paris anyway, and we could emphasise to Pompidou that Geoffrey would only be with you to give advice if required. On balance, therefore, I think that Geoffrey should accompany you.

3. Of course you must decide this for yourself and I know Geoffrey will be happy to go along with what you decide. But I think it is important to make the decision now because the press will be asking tomorrow who will be going with you. If Geoffrey is to go we would want to announce it then and we would want to be able to tell the French beforehand.

A.D.H.

7 May, 1971

Foreign and Commonwealth Office, S.W.1.

SECRET.

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7 May 1971

We spoke on the telephone, and agreed that the Prime Minister should send a personal message to the Federal Chancellor about his forthcoming meeting with the President of the French Republic.

I attach draft telegrams which, if you agree, could be sent to Sir Roger Jackling.

LTA

N.J. Barrington, Esq.,
Foreign and Commonwealth Office;

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TO IMMEDIATE FCO TELNO. 607 OF 7 MAY 1971 INFO IMMEDIATE
CODEL BRUSSELS PARIS INFO PRIORITY ROME THE HAGUE BRUSSELS
LUXEMBOURG.

CODEL BRUSSELS TELS NOS. 321 AND 331: COMMUNITY FINANCE.

VON STEIN IN THE FOREIGN MINISTRY MADE THE FOLLOWING COMMENTS
ON THE FRENCH PROPOSAL TODAY TO A MEMBER OF MY STAFF.

(I) THE GERMANS THOUGHT THAT ON 10 MAY THE FRENCH WOULD PRESS
FOR ACCEPTANCE BY THE SIX OF PARAS 1-3 OF THEIR PAPER AS A PROPOSAL
OF PRINCIPLES WHICH COULD BE PUT TO THE BRITISH, BUT THAT THEY
WOULD BE RELUCTANT TO DISCUSS PERCENTAGE FIGURES FOR PARA 4. THEY
WOULD PROBABLY SUGGEST THAT THESE SHOULD BE WORKED OUT LATER.

(II) THE GERMANS HAD CALCULATED THAT THE APPLICATION OF RESOURCES
PROGRES AS SPECIFIED IN PARA 1 OF THE FRENCH PROPOSAL WOULD GIVE
A BRITISH CONTRIBUTION FOR 1973 OF 18.6% (LEVIES 4.6%: REFERENCE
AMOUNT 7.4%: BUDGETARY 6.6%). THEY WOULD PRESS FOR A DISCUSSION OF
THE ABATEMENTS ENVISAGED UNDER PARA 4, AND WOULD PROPOSE
THAT THE REDUCTION IN 1973 SHOULD BE BY 60%. THIS WOULD GIVE A
FIGURE OF 7.4% FOR THE INITIAL BRITISH CONTRIBUTION WHICH WAS
CLOSE TO THE STARTING FIGURE IN THE GERMANS' OWN PROPOSALS.
THE GERMANS WOULD ALSO PRESS FOR AN EIGHT YEAR PERIOD BEFORE THE
UNRESTRICTED APPLICATION OF RESSOURCES PROPRES.

(III). GERMAN MINISTERS WERE DIVIDED AS TO WHETHER TO TABLE THE
GERMAN PROPOSALS BEFORE DISCUSSION AMONG THE SIX OF THE FRENCH
PROPOSALS. VON STEIN FELT THEY SHOULD DO SO, BECAUSE OF THE
DANGERS OF THE FRENCH ADOPTING THE POSITION DESCRIBED IN (I) ABOVE.
A DECISION ON THIS POINT WOULD PROBABLY BE TAKEN OVER THE WEEKEND
IN BRUSSELS.

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/2. VON STEIN SAID

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2. VON STEIN SAID THAT HE HAD HEARD THAT WE HAD UNOFFICIALLY EXPRESSED RESERVATIONS ABOUT THE GERMAN PROPOSALS (HE DID NOT SAY TO WHOM). THE GERMANS THOUGHT THEY WERE GOOD PROPOSALS AND MUCH BETTER THAN WHAT THE FRENCH HAD SO FAR PRODUCED. JENKINS REPLIED THAT OUR CHIEF WORRY HAD BEEN THAT THE FRENCH MIGHT PROPOSE FIGURES CONSIDERABLY ABOVE THE GERMAN FIGURES, AND THEN SEEK TO STRIKE A COMPROMISE BETWEEN THE TWO. THIS WOULD RESULT IN AN UNACCEPTABLE PROPOSAL FOR US, AND IT WAS IN THE INTERESTS OF ALL OF US TO AVOID A SITUATION OF THIS KIND ARISING.

3. BOTH VON STEIN AND A MEMBER OF THE MINISTRY OF ECONOMICS HAVE EXPRESSED THE PERSONAL VIEW THAT THE FRENCH WOULD BE UNLIKELY TO ENVISAGE AN ABATEMENT OF AS MUCH AS 50% IN THE FIRST YEAR. THEY THOUGHT 10% A MORE LIKELY FIGURE.

JACKLING

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TO IMMEDIATE FCO TELNO CODEL 332 OF 7 MAY INFO ROUTINE TO BONN THE
HAGUE LUXEMBOURG PARIS ROME AND INFO SAVING TO BRUSSELS.

MY TELEGRAM NO. 321 ✓ COMMUNITY FINANCE.

beh THE DIRECTOR GENERAL OF THE COMMISSION TASK FORCE FOR ENLARGEMENT,
THE SECRETARY GENERAL OF THE COMMISSION AND THE MINISTER FOR THE
ENLARGEMENT NEGOTIATIONS IN THE GERMAN PERMANENT REPRESENTATION HAVE
ALL NOW SPOKEN TO ME ABOUT THE FRENCH PAPER: AND MEMBERS OF THE
BELGIAN, ITALIAN AND NETHERLANDS PERMANENT REPRESENTATIONS HAVE
SPOKEN TO OTHER MEMBERS OF THIS DELEGATION ABOUT IT. WITH THE
EXCEPTION OF THE GERMANS, WHO HAVE SOME HESITATIONS ABOUT THE
IMPLICATIONS, THERE IS A GENERAL FEELING THAT THE FRENCH PROPOSALS
ARE CONSTRUCTIVE.

2. AT THE MEETING OF THE PERMANENT REPRESENTATIVES ON 6 MAY, THE
GERMAN PERMANENT REPRESENTATIVE OUTLINED ORALLY THE GERMAN PROPOSALS
REPORTED IN MY TELEGRAM NO. 297 ✓ HE RESERVED THE RIGHT TO TABLE A
PAPER SUBSEQUENTLY IF THE GERMAN GOVERNMENT SO DECIDED. ACCORDINGLY,
FOR THE MEETING OF THE COUNCIL ON 10 MAY, THERE ARE 3 PAPERS ON THE
TABLE :-

- (A) THE COMMUNITY STATEMENT TO US ON 2 FEBRUARY.
- (B) THE HARMEL QUOTE PLAN UNQUOTE - SUPPLEMENTED BY ANY GERMAN PAPER
WHICH MAY BE TABLED.

(C) THE FRENCH PROPOSALS REPORTED IN MY TELEGRAM UNDER REFERENCE.

3. THE FIVE AND THE COMMISSION HAVE ALL NOTED THAT THE FRENCH
PROPOSALS DO NOT CONTAIN ANY PROVISIONS FOR THE ADDITION OF
CORRECTIVES AFTER THE END OF THE FIFTH YEAR. AND THEY HAVE ALSO NOTED
THE PROBABILITY THAT, ON THE EXISTING MODEL, THERE WOULD BE A SHARP
JUMP IN THE UK CONTRIBUTION AT THE END OF THE FIFTH YEAR.

WELLENSTEIN BELIEVED THAT IT WOULD BE COMPATIBLE WITH THE
PAPER FOR THE SYSTEM PROPOSED IN IT TO BE EXTENDED: AND
HE CONSIDERED THAT IT WOULD BE REALISTIC TO WORK FOR AN
EXTENSION TO 7 THOUGH NOT TO 8 YEARS. HE SAID THAT, AT DINNER LAST
NIGHT, BOEGNER HAD ADMITTED TO HIM THAT THIS POSSIBILITY WAS OPEN.

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/4. WELLENSTEIN

4. WELLENSTEIN TOLD ME THAT THIS FRENCH PROPOSAL APPEARED TO HIM TO INDICATE A GENUINE INTENTION TO REACH A SETTLEMENT. ON THIS BASIS HE HAD MADE ENCOURAGING NOISES ABOUT IT TO THE FIVE.
5. WHEN THE COUNCIL MEETS ON 10 MAY, WELLENSTEIN EXPECTS THAT ALL DELEGATIONS WILL DISPLAY INTEREST IN THE GENERAL SCHEME BUT WILL WISH TO DISCUSS THE POSSIBILITY OF PROVIDING FOR ADDITIONAL YEARS. IF AGREEMENT WERE REACHED WITH US ON 11 MAY ON AGRICULTURAL TRANSITION, WELLENSTEIN THOUGHT IT QUITE ON THE CARDS THAT AGREEMENT AMONGST THE SIX ON ADDITIONAL YEARS COULD BE REACHED BEFORE THE CONCLUSION OF THE MINISTERIAL MEETING ON 12 MAY SO THAT THE FRENCH PROPOSALS, THUS MODIFIED, COULD BE PRESENTED TO US AS A COMMUNITY PROPOSAL.
6. WELLENSTEIN INSISTED THAT FIGURES SHOULD NOT BE DISCUSSED AT THIS MEETING OF THE COUNCIL OR CONFERENCE. THE TIME FOR THAT WOULD COME LATER. BUT IF THE FOREGOING WERE TO HAPPEN, IT COULD PRESAGE THE BREAKING OF THE LOG JAM AND A MOVE TOWARDS A FINAL PACKAGE SETTLEMENT IN JUNE.

FCO PSE PASS ADVANCE COPIES TO SIR C. O'NEILL TICKELL ROBINSON AND STATHAM (FCO) BELL (TSY) DENMAN (DTI) AND KEARNS (MAFF)

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TO F L A S H PARIS TELNO. 305 OF 7 MAY.

YOUR TELEGRAM NO. 528.

ON THE WHOLE I WOULD RATHER YOU DID NOT PASS OVER THE TEXT OF A MESSAGE FROM ME TO SCHUMANN SINCE IT MAKES THE THING LOOK TOO STUDIED AND PREMEDITATED .

2. PLEASE TELL SCHUMANN WHEN YOU SEE HIM THAT I HAVE JUST HEARD FROM THE PRIME MINISTER THAT HE HAS FIXED UP A MEETING WITH PRESIDENT POMPIDOU IN PARIS AND THAT THE ONLY DATES CONVENIENT TO BOTH OF THEM ARE THE DAYS ON WHICH I HAD BEEN LOOKING FORWARD TO RECEIVING M. SCHUMANN IN LONDON. PLEASE GO ON TO SAY THAT WHILE I WELCOME THE OPPORTUNITY THIS MEETING WILL GIVE FOR A TOP LEVEL EXCHANGE BETWEEN OUR TWO GOVERNMENTS IN THE NEAR FUTURE, I AM MOST DISTRESSED THAT IT SHOULD HAVE HAPPENED IN SUCH A WAY THAT M. SCHUMANN'S OWN VISIT TO LONDON WILL HAVE TO BE PUT OFF. I HAD BEEN MUCH LOOKING TO THIS . I HOPE VERY MUCH THAT IT WILL BE POSSIBLE TO FIX NEW DATES BEFORE THE SUMMER BREAK.

3. YOU COULD ADD THAT IT IS PROBABLY TOO SOON TO THINK OF DATES BUT THAT YOU BELIEVE THAT THE WEEK BEGINNING 12 JULY IS FOR THE MOMENT FREE IN MY DIARY.

DOUGLAS-HOME

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NNNN

Collette

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D E D I P

TO FLASH F C O TELNO 541 OF 7 MAY

YOUR TELNOS. 302 AND 323: PRIME MINISTER'S MEETING WITH
PRESIDENT POMPIDOU.

JOBERT CAME TO SEE ME ON MY RETURN FROM TOULOUSE THIS EVENING
AND WE HAD A MOST SATISFACTORY ROUND-UP TALK. IN BRIEF:

(I) HE LIKED THE TERMS OF YOUR TELNO. 302 AND WILL TALK
LIKEWISE.

(II) HE GAVE ME AN OUTLINE OF THE PROGRAMME ENVISAGED BY
PRESIDENT POMPIDOU, WHICH I THINK WILL PLEASE THE PRIME MINISTER.

(III) HE AGREED ON THE TIMINGS IN YOUR TELNO. 302.

(IV) HE TOLD ME THAT THE PRESIDENT WELCOMED THE IDEA OF
PREPARATION FOR THE MEETING, BUT WISHES THIS TO BE DONE FROM
HIS SIDE BY HIS PERSONAL STAFF IN THE ELYSEE AND HOPES THAT
THE PRIME MINISTER WILL BE READY TO MATCH THIS.

(V) COURCEL WAS SUMMONED TO PARIS TODAY, INFORMED BY JOBERT
OF THE DECISION OF THE PRESIDENT AND PRIME MINISTER TO MEET,
AND SWORN TO SECRECY.

2. I SHALL TELEGRAPH AT GREATER LENGTH TOMORROW.

SOAMES

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D E D I P

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TO FLASH PARIS TELNO. 303 OF 7 MAY.

M.I.P.T.

FOLLOWING IS LINE FOR USE WITH THE PRESS AND OTHER INTERESTED GOVERNMENTS. THE PRIME MINISTER HAS ALREADY BEEN TO BONN TO SEE BRANDT AND COLOMBO HAS ACCEPTED AN INVITATION TO VISIT LONDON AT THE END OF JUNE. IT IS NATURAL THAT THE PRIME MINISTER AND PRESIDENT POMPIDOU SHOULD ALSO WISH TO MEET AND THE PRESENT MOMENT IS OBVIOUSLY A PARTICULARLY VALUABLE ONE FOR SUCH A MEETING.

2. WE EXPECT THE DISCUSSION BETWEEN THE PRESIDENT AND THE PRIME MINISTER TO BE WIDE RANGING, BUT EUROPE WILL CLEARLY BE AT THE CENTRE OF THEIR AGENDA. NEGOTIATIONS FOR OUR ENTRY INTO THE EUROPEAN COMMUNITY ARE WITH THE COMMUNITY AND MUST BE CONCLUDED IN BRUSSELS. AS AT THE PRIME MINISTER'S MEETING WITH BRANDT, THE PRIME MINISTER WILL WANT TO DISCUSS WITH PRESIDENT POMPIDOU HOW HE SEES THE ROLE OF WESTERN EUROPE VIS-A-VIS THE REST OF THE WORLD. THEY WILL ALSO NO DOUBT TAKE STOCK OF THE PROGRESS REACHED IN THE NEGOTIATIONS IN BRUSSELS, AND MAY WELL DISCUSS INDIVIDUAL ITEMS IN ORDER TO SEE HOW PROGRESS CAN BEST BE MADE IN THE FURTHER NEGOTIATIONS. IF ASKED WHETHER IT WILL BE A PURPOSE OF THE PRIME MINISTER'S MEETING WITH PRESIDENT POMPIDOU TO AGREE THE DETAILS OF ENTRY TERMS IN PARTICULAR FIELDS, YOU SHOULD SAY THAT THIS IS NOT THE CASE: THESE MATTERS ARE FOR COLLECTIVE DISCUSSION IN BRUSSELS. BUT A GENERAL UNDERSTANDING ON THE MAIN ISSUES BETWEEN PARIS AND LONDON IS LIKELY TO FACILITATE A SUCCESSFUL CONCLUSION TO NEGOTIATIONS IN BRUSSELS, AND THIS POINT HAS OBVIOUSLY BEEN IN THE MINDS OF A NUMBER OF MINISTERS OF COMMUNITY COUNTRIES.

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3. THE MINISTERIAL MEETINGS IN BRUSSELS NEXT WEEK LOSE NONE OF THEIR IMPORTANCE IN THE LIGHT OF TODAY'S ANNOUNCEMENT. ON THE CONTRARY NOTHING WOULD BE A MORE USEFUL AND IMPORTANT PRELUDE THAN PROGRESS IN BRUSSELS NEXT WEEK. WE CONTINUE TO ATTACH THE GREATEST IMPORTANCE TO CONCLUDING ON THE MAIN ISSUES OUTSTANDING IN BRUSSELS ON JUNE 21-22.

4. IF ASKED WHEN THE MEETING WAS ARRANGED, YOU SHOULD SAY THAT THERE HAVE BEEN CONTACTS BETWEEN PARIS AND LONDON IN THE LAST FEW DAYS AS A RESULT OF WHICH THE MEETING HAS JUST BEEN ARRANGED.

5. FOR YOUR OWN INFORMATION ONLY, YOU SHOULD KNOW THAT THE DATES OF 20-21 MAY PROVED TO BE MOST CONVENIENT FOR THE FRENCH PRESIDENT WHO SUGGESTED THEM. IN CONSEQUENCE, SCHUMANN'S VISIT TO LONDON ON THOSE DATES HAS BEEN POSTPONED.

DOUGLAS-HOME

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TO FLASH PARIS TELNO. 302 OF 7 MAY.

YOUR TELNO. 521: PRIME MINISTER'S MEETING WITH POMPIDOU.

WE AGREE THAT THE ANNOUNCEMENT SHOULD BE MADE AT 1600 HOURS ON 8 MAY, AND THAT THE TEXT OF THE ANNOUNCEMENT SHOULD BE AS IN YOUR TELNO. 522.

2. WE ALSO AGREE THAT THE AMBASSADORS OF THE FIVE SHOULD BE SENT FOR IN PARIS AND LONDON AT 1500 HOURS ON 8 MAY TO BE TOLD OF THE TERMS OF THE ANNOUNCEMENT.

3. M. A. F. T. GIVES THE LINE WHICH WE PROPOSE TO TAKE WITH THE PRESS LATER, AND WHICH WE SHALL SEND TO OTHER POSTS AS GUIDANCE. WE DO NOT WANT TO CLEAR THIS TEXTUALLY WITH THE FRENCH, SINCE WE CANNOT EXPECT THEM TO TAKE PRECISELY THE SAME LINE ON ALL DETAILS (E.G. THE MINISTERIAL MEETINGS IN BRUSSELS NEXT WEEK.) BUT YOU SHOULD INFORM THE ELYSEE IN GENERAL TERMS OF THE LINE WE SHALL BE TAKING AND ENQUIRE WHAT LINE THEY PROPOSE TO TAKE.

4. WE SHALL BE IN TOUCH WITH YOU EARLY NEXT WEEK ON PREPARATIONS.

DOUGLAS-HOME

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COPY NO.....

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DEDIP
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TO FLASH FCO TELEGRAM NO 528 OF 7 MAY 1971.

MY TELNO 521: MEETING BETWEEN PRIME MINISTER AND PRESIDENT
POMPIDOU.

AS YOU KNOW, WHEN I SEE MR. SCHUMANN TOMORROW, HE WILL HAVE
JUST BEEN TOLD BY PRESIDENT POMPIDOU THAT THE ARRANGEMENTS
FOR THE MEETING WITH THE PRIME MINISTER WILL INVOLVE THE
POSTPONEMENT OF HIS OWN (SCHUMANN'S) VISIT TO LONDON ON 20/21
MAY.

2. M SCHUMANN WILL BE HURT AND IT WOULD, I AM SURE, HELP TO
SCOTHE HIS FEELINGS IF I COULD GIVE HIM THE TEXT OF A SHORT
PERSONAL MESSAGE FROM YOURSELF EXPLAINING HOW VERY SORRY
YOU ARE THAT YOU WILL NO LONGER BE RECEIVING HIM AS YOUR GUEST
IN LONDON THIS MONTH, BUT THAT YOU HOPE IT WILL BE POSSIBLE
TO MAKE FRESH ARRANGEMENTS SO THAT THE VISIT MAY TAKE PLACE
BEFORE THE SUMMER HOLIDAYS. I WILL SAY THIS ANYHOW BUT A PERSONAL
NOTE FROM YOU WOULD OBVIOUSLY BE BETTER.

3. IF YOU AGREE, I SHALL NEED THE TEXT OF YOUR MESSAGE BY
1100 HOURS TOMORROW MORNING.

SOAMES

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PRISEC

S E C R E T

Foreign & Commonwealth
Office, No. 1

Mr Daunt

Prime Minister's Meeting with
Pompidou

Paris Telegram number 513, about which we were in touch last night.

2. After speaking to the Permanent Under Secretary earlier this morning, and at his suggestion to Mr Armstrong, I told our Embassy in Paris that they could amend the text of the proposed communique to read

"The President of the French Republic and the Prime Minister have considered the possibility of a meeting between them to discuss matters of common interest, and have agreed...."

3. Mr Palliser was happy with this compromise and Mr Soames is seeing Jobert at 9.30 this morning.

J A Robinson

6 May 1971

J A Robinson

Copied to

Mr Tickell
Sir C O'Neill
Mr Thornton Cabinet Office
Mr Moon

SECRET

Y 0581

MR ARMSTRONG*Personal.**R.A.**M.**11/5*

Preparations for the Prime Minister's
Meeting with M Pompidou

1. I suggest the preparatory arrangements should include:
 - a. intensive briefing sessions between the Prime Minister and a limited number of senior officials who can provide answers to any questions or arguments arising on the subject under discussion. I suggest that Sir Con O'Neill, Mr Thornton, Mr Robinson and I should be present at each meeting;†
 - b. a short memorandum on each of the subjects on the agenda of the bilateral, as a basis for both the Prime Minister's briefing and for any necessary circulation to Ministers;
 - c. a timetable to provide for the briefing sessions and for a Ministerial meeting or meetings.
2. I assume that you will be dealing with c. above; and also with *d*) any arrangements necessary for further discussion of the agenda between No. 10 and the Elysee, and *e*) contingency arrangements for consultation between Paris and London during the bilateral.
3. In the attached schedule I set out point by point the agenda items for the bilateral (including our additions) and suggest a: who should be at the intensive briefing sessions and b: the subject briefs required and who is providing/should provide them.
4. In the meantime my Inn/er Group of AEO will be getting on with the preparation of memoranda under 1b above as set out in the schedule. On the other matters instructions are awaited.


WILLIAM NIELD6 May 1971

† P.H.S.'s will no doubt be the subject of separate consideration.

ITEMS FOR BILATERAL IN ORDER OF THE PROPOSED AGENDA

*Role of the Enlarged Community in the World

Paper: A "Compact" from AEO Inner Group and FCO on the Defence and Foreign policy aspects. The "compact" should cover Foreign Relations, Defence, Economic, Commercial and Monetary Affairs, vis-a-vis particularly the USA, Commonwealth, USSR; key regions; and the IMF and GATT, respectively. The oral briefing might also cover the consequences of Failure.

Briefing: Cabinet Office and Foreign Office

Functioning of the Community and Institutions

Paper: By the FCO based on M Pompidou's speech of 21 January (which is required reading).

Briefing: Sir Con O'Neill and Mr Robinson
Cabinet Office and FCO

*Future of Sterling

Paper: From AEO's Inner Group - in hand

Briefing: Mr Alan Neale, Mr R Bell (Treasury)

*Community Preference (includes Agricultural Transition)

Paper: From AEO's Inner Group - in hand

Briefing: Mr F Kearns, Mr M Franklin (MAFF)

Future of the French Language

Paper: From FCO

Briefing: FCO and Cabinet Office

Yaounde Convention

Paper: From AEO's Inner Group

Briefing: Mr R Denman and Mr P Preston (DTI)
Cabinet Office and FCO

Consequences of Enlargement for the Neutrals

Paper: By FCO

Briefing: FCO and Cabinet Office

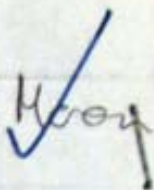
Community Policy and Overseas Investment

As under "Future of Sterling"

Main Decisions necessary to Complete Negotiations

- * 1. Community Finance - as under "Community Preference" plus Treasury officials (Mr Neale and Mr Bell)
- * 2. New Zealand - as under "Community Preference"
- * 3. Commonwealth Sugar - as under "Community Preference"
- * 4. Community Preference - this is listed above as it is a French item also.

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TO IMMEDIATE FCO TELNO 522 OF 6 MAY 1971.

M.I.P.T.

FOLLOWING IS FRENCH VERSION OF SUGGESTED COMMUNIQUE. BEGINS.

LE PRESIDENT DE LA REPUBLIQUE FRANCAISE ET LE PREMIER MINISTRE DU GOUVERNEMENT BRITANNIQUE ESTIMENT QU'UNE RENCONTRE POUR EXAMINER LES PROBLEMES D'INTERET COMMUN SERAIT OPPORTUNE. LE PRESIDENT DE LA REPUBLIQUE A DONC INVITE LE PREMIER MINISTRE A LUI RENDRE VISITE A PARIS LES 20 ET 21 MAI, ET LE PREMIER MINISTRE A ACCEPTE CETTE INVITATION AVEC GRAND PLAISIR. ENDS.

2. FOLLOWING IS TRANSLATION.

BEGINS.

THE PRESIDENT OF THE FRENCH REPUBLIC AND THE PRIME MINISTER CONSIDER THAT A MEETING TO DISCUSS MATTERS OF COMMON INTEREST WOULD NOW BE USEFUL. THE PRESIDENT OF THE REPUBLIC HAS ACCORDINGLY INVITED THE PRIME MINISTER TO VISIT PARIS ON 20 AND 21 MAY, AND THE PRIME MINISTER HAS ACCEPTED THIS INVITATION WITH PLEASURE. ENDS.

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TO IMMEDIATE FCO TELNO 521 OF 6 MAY 1971.

MY TELEGRAMS NOS 496 AND 497.

I CALLED ON JOBERT THIS MORNING AND TOLD HIM THAT THE PRIME MINISTER WOULD BE HAPPY TO TALK ABOUT THE MATTERS IN PRESIDENT POMPIDOU'S AGENDA. I THEN GAVE HIM THE ENGLISH TEXT (TOGETHER WITH AN UNOFFICIAL TRANSLATION) OF OUR ADDITIONS.

2. IN REGARD TO PARAGRAPH 1 I SAID THAT THE PRIME MINISTER WOULD LIKE TO TALK TO THE PRESIDENT ABOUT THE FUTURE OF EUROPE IN ITS BROADEST SENSE TOUCHING ON ECONOMIC, POLITICAL AND DEFENCE QUESTIONS. JOBERT SAID THAT FOLLOWING WHAT I HAD TOLD HIM BEFORE HE HAD ALREADY TOLD THE PRESIDENT THAT THE PRIME MINISTER WOULD WISH TO PAINT HIS PICTURE OF EUROPE WITH A BROAD BRUSH AND THAT THE PRESIDENT HAD WELCOMED THIS. HE JOBERT WAS CONVINCED OF THE PRIME MINISTER'S EUROPEAN VIEW AND CONVICTIONS, WHICH HE HAD HEARD HIM EXPOUND WITH GREAT SINCERITY WHEN THEY HAD MET IN SPAIN SOME TIME AGO. HE HONESTLY BELIEVED THAT THE PRIME MINISTER AND PRESIDENT POMPIDOU WERE TWO OF THE MOST QUOTE EUROPEAN UNQUOTE LEADERS IN EUROPE TO-DAY AND FROM WHAT HE KNEW OF THE BELIEFS AND ASPIRATIONS OF THE TWO MEN, HE WAS SURE THEY WOULD HAVE A GOOD AND EFFECTIVE DIALOGUE.

3. ON PARAGRAPH 2 I MADE THE POINT THAT THE PRIME MINISTER'S INTENTION WOULD BE TO SEEK THE FIRMEST POSSIBLE UNDERSTANDING WITH THE PRESIDENT ON THE IMPORTANT ISSUES REMAINING TO BE NEGOTIATED AND THAT THESE UNDERSTANDINGS WOULD BE REFLECTED IN THE JUNE MINISTERIAL MEETING IN BRUSSELS.

4. JOBERT REMINDED ME THAT IN OUR LAST TALK HE HAD SAID THAT IF M. POMPIDOU AND THE PRIME MINISTER COULD REACH AGREEMENT ON THE POINTS SET OUT IN THE FRENCH AGENDA, QUOTE THE REST WOULD FOLLOW UNQUOTE. I REPLIED THAT INDEED I REMEMBERED THIS AND HAD REPORTED IT TO THE PRIME MINISTER. HIS REACTION HAD BEEN THAT IT WAS NOT ENOUGH TO DISCUSS AND HOPEFULLY TO RACH CONCLUSIONS ON THE MATTERS SET OUT IN THE FRENCH PAPER. IT WOULD BE HIS INTENTION TO SEEK AGREEMENT WITH THE PRESIDENT DURING HIS VISIT ON THE MAIN OUTSTANDING ISSUES AND NOT TO LEAVE IT TO CHANCE THAT AGREEMENT /MIGHT

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MIGHT EMERGE AT THE LATER MEETING IN BRUSSELS. I REMINDED JOBERT THAT IN OUR EARLIER TALKS HE HAD IMPRESSED UPON ME HOW IMPORTANT IT WAS FROM BOTH OUR POINTS OF VIEW THAT THIS MEETING, WHERE IT TO TAKE PLACE, SHOULD BE A SUCCESS. FOR THIS IT WAS NECESSARY THAT THERE SHOULD BE A MEETING OF MINDS ON A BROAD FRONT, THOUGH OF COURSE THE FRUITS OF THE MEETING WOULD ONLY BECOME EVIDENT AT THE LATER MINISTERIAL MEETING IN BRUSSELS. JOBERT REPLIED THAT HE AGREED THAT THIS WAS THE RIGHT APPROACH.

5. ON PARAGRAPH 3 OF OUR PAPER JOBERT COMMENTED THAT THE PRESIDENT WOULD HOPE TO HEAR WHAT IDEAS THE PRIME MINISTER MIGHT HAVE. I REPLIED THAT THIS POINT HAD BEEN WELL TAKEN BY THE PRIME MINISTER BUT THAT HE FELT IT WOULD HELP HIM IN THE DISCUSSION TO KNOW WHAT WERE THE PRESIDENT'S ASPIRATIONS IN THIS REGARD.

6. I THEN SHOWED JOBERT OUR SUGGESTED COMMUNIQUE. WE DISCUSSED IT IN FRENCH AND CAME OUT WITH A VERSION WHICH I AM SENDING TOGETHER WITH ITS TRANSLATION IN MIFT. THE REASON FOR JOBERT'S DESIRE TO CHANGE THE FIRST SENTENCE WAS THAT HE DID NOT WISH TO GIVE THE IMPRESSION TO THE FIVE THAT THERE HAD BEEN IN THE PAST SOME SECRET DIALOGUE BETWEEN THE PRESIDENT AND THE PRIME MINISTER. I HOPE AND BELIEVE YOU WILL FIND THIS NEW WORDING SATISFACTORY.

7. I TOLD JOBERT THAT WE CONSIDERED THE MOST CONVENIENT TIME TO MAKE THE ANNOUNCEMENT WOULD BE 1500 HOURS ON SATURDAY 8 MAY. JOBERT SAW NO DIFFICULTY IN THIS BUT IT DEPENDS ON WHEN I CAN SEE M. SCHUMANN ON SATURDAY. HE RETURNS ON FRIDAY NIGHT FROM MOSCOW AND IS SEEING THE PRESIDENT AT 11.30 ON SATURDAY. I HOPE HE WILL SUMMON ME SHORTLY THEREAFTER.

8. I SUGGESTED THAT THE BEST WAY FOR BOTH GOVERNMENTS TO INFORM THE FIVE WAS FOR EACH GOVERNMENT TO SUMMON THE AMBASSADORS OF THE FIVE AN HOUR OR SO BEFORE THE ANNOUNCEMENT WAS TO BE MADE. JOBERT AGREED. SINCE I SAW HIM THE POINT HAS STRUCK ME THAT 1420 HOURS WOULD NOT BE A VERY CONVENIENT TIME FOR AMBASSADORS TO BE SUMMONED. WOULD YOU THINK IT BETTER TO POSTPONE THE ANNOUNCEMENT FROM 1500 TO 1600 HOURS SO THAT THE AMBASSADORS COULD BE SENT FOR AT 1500 HOURS? THE REASON I SUGGESTED 1500 HOURS TO JOBERT WAS THAT DONALD MAITLAND HAD TOLD ME THAT THIS WOULD BE THE MOST CONVENIENT TIME WHERE THE PRESS WERE CONCERNED.

9. I THEN REMINDED JOBERT THAT IN OUR EARLIER TALKS WE HAD AGREED HOW NECESSARY IT WAS THAT THIS MEETING SHOULD BE WELL PREPARED. JOBERT REPLIED THAT WHILE HE AGREED THAT THIS WAS THE CASE, HE KNEW THAT THE PRESIDENT'S CONCEPT WAS TO HAVE A FUNDAMENTAL TALK WITH THE PRIME MINISTER AND HE WAS, HE FELT, ANXIOUS THAT THE FRANK AND SPONTANEOUS CHARACTER OF THEIR DISCUSSIONS SHOULD NOT BE SPOILT BY /TOO

TOO MUCH PREPARATORY WORK BEING DONE IN ADVANCE. I REPLIED THAT THAT WAS ALL VERY FINE AND LARGE. I KNEW THAT THE PRIME MINISTER SAW THESE CONVERSATIONS IN EXACTLY THE SAME LIGHT AS DID THE PRESIDENT. BUT NEVERTHELESS HE ATTACHED GREAT IMPORTANCE TO MAKING THE BEST USE OF THE TIME AND IN HIS VIEW SOME DEGREE OF PREPARATION WAS ESSENTIAL. THE PRIME MINISTER I KNEW WOULD BE FAR FROM HAPPY IF THE PRESIDENT DID NOT FEEL THE SAME WAY. JOBERT SAID THAT IN HIS VIEW THERE WAS ALOT TO BE SAID FOR THIS. HE WOULD PUT THE POINT TO THE PRESIDENT. HE THOUGHT IT LIKELY THAT THE PRESIDENT WOULD ATTACH IMPORTANCE TO THE PREPARATION BEING CONDUCTED BY THOSE WHO WERE ON HIS OWN STAFF BRACKET HE HAD IN MIND HIMSELF, BERNARD AND RAIMOND UNBRACKET WITH PERSONAL EMISSARIES WHO WERE EQUALLY CLOSE TO THE PRIME MINISTER. HE WOULD HOWEVER CONSULT THE PRESIDENT ON THIS POINT AND LET ME KNOW HIS REACTION. HE JOBERT'S PERSONAL VIEW WAS THAT THE BEST CONTRIBUTION WHICH COULD BE MADE BY THOSE WHO WERE PREPARING THE WAY WOULD BE FOR THEM EACH TO SET OUT IN BROAD TERMS WHAT WOULD BE THE STARTING POSITIONS OF THE PRESIDENT AND PRIME MINISTER RESPECTIVELY ON THE POINTS IN THE AGENDA.

10. I THEN SAID I KNEW JOBERT WOULD REALISE THAT THIS WOULD BE A GREAT OCCASION AND NEEDED TO BE SEEN AS SUCH. THIS WOULD BE THE PRIME MINISTER'S FIRST OFFICIAL VISIT TO PARIS AND IT WAS OF THE GREATEST IMPORTANCE THAT HE SHOULD BE SEEN BY THE BRITISH PUBLIC TO BE TREATED AS A SPECIAL AND HONOURED GUEST. JOBERT WARMLY AGREED AND SAID THAT HE WAS SURE THIS WOULD BE THE PRESIDENT'S WISH.

11. I ASKED WHETHER IT MIGHT BE THOUGHT A GOOD IDEA IF THE PRIME MINISTER WERE AT SOME POINT TO LAY A WREATH AT THE ARC DE TRIOMPHE. JOBERT REPLIED THAT HE THOUGHT THIS MIGHT WELL BE SO. HE WOULD BE IN TOUCH WITH ME AGAIN ABOUT THE EXTRA-MURAL ARRANGEMENTS.

12. FINALLY I ASKED JOBERT WHAT THE PRESIDENT WOULD BE SAYING TO M. SCHUMANN ON SATURDAY ABOUT HOW THIS MEETING CAME TO BE ARRANGED, SINCE I WOULD BE SEEING HIM SHORTLY AFTERWARDS. HE SAID HE WOULD TELL HIM THAT HE HAD REACHED THE CONCLUSION THAT THE TIME HAD COME FOR HIM TO HAVE A FAR-REACHING DISCUSSION WITH THE PRIME MINISTER. AS HE KNEW THAT JOBERT WAS SEEING ME ON 4 MAY HE HAD INSTRUCTED HIM TO TELL ME THAT THIS WAS HIS VIEW. THE FACT THAT I HAD ALREADY ARRANGED TO GO TO LONDON THAT AFTERNOON ENABLED ME TO PUT THE PROPOSITION TO THE PRIME MINISTER, WHO HAD AGREED. I REMINDED JOBERT THAT THE SUGGESTION FOR THE DATES OF 20 AND 21 MAY HAD COME FROM HIM AND HE AGREED.

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TO IMMEDIATE FCO CODEL TEL NO. 331 OF 6 MAY 1971 INFO PRIORITY
BONN THE HAGUE LUXEMBOURG PARIS ROME AND SAVING BRUSSELS.

NY TEL. NO. 329

COMMUNITY FINANCE

AT THE COMMITTEE OF PERMANENT REPRESENTATIVES ON 5 MAY BOEGNER INTRODUCED FRENCH PROPOSALS ON COMMUNITY FINANCE (TEXT IN NY TEL. 321). HE EXPLAINED THAT THEIR OBJECTIVE WAS TO INTRODUCE A SYSTEM FOR THE CANDIDATES IDENTICAL TO THAT BEING OPERATED BY THE EXISTING COMMUNITY. THE PERCENTAGES WRITTEN INTO PARAGRAPH 2 OF THE FRENCH PROPOSALS WERE INTENDED TO REPRESENT THE PROPORTION OF THE COMMUNITY'S GNP OF THE GNP OF EACH CANDIDATE COUNTRY. THESE PERCENTAGES WOULD BE USED BOTH FOR DETERMINING THE CANDIDATE COUNTRIES' CONTRIBUTION TO THE BUDGETARY ELEMENT OF (NEXT TWO WORDS UNDERLINED) RESSOURCES PROPRES AND ALSO AS THE BASIC PERCENTAGE ON WHICH THE CORRECTIVES SET OUT IN ARTICLE 3 (3) OF THE COMMUNITY'S DECISION OF APRIL 1970 WOULD OPERATE DURING THE TRANSITIONAL PERIOD. THE FOURTH PARAGRAPH OF THE FRENCH PAPER IMPLIED THAT THERE WOULD BE A TRANSITIONAL PERIOD OF FIVE YEARS DURING WHICH THERE WOULD BE A DECREASING LIMITATION OF THE TOTAL FINANCIAL BURDEN ON THE CANDIDATES. THE OBJECT WAS TO ENSURE THAT THERE WOULD BE NO LARGE JUMP AT THE BEGINNING OR AT THE END OF THE PERIOD AND THAT THE WHOLE PROCESS SHOULD BE FINISHED BY 1 JANUARY 1978.

2. WELLENSTEIN (COMMISSION) SUGGESTED, AND BOEGNER MADE NO OBJECTION, THAT IF THE FRENCH MODEL WERE ADOPTED THAT THE FIGURES IN PARAGRAPH 2 WOULD BEST BE THE PRECISE PROPORTION OF THE COMMUNITY'S GNP REPRESENTED BY EACH CANDIDATE'S GNP IN 1972.
3. IN REPLY TO QUESTIONS FROM SEVERAL PERMANENT REPRESENTATIVES AS TO WHETHER THE PERCENTAGE FIGURES IN PARAGRAPH 4 COULD RISE SLOWLY AT THE BEGINNING OF THE TRANSITIONAL PERIOD AND MORE

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/RAPIDLY

*Original filed on
Germany March 1971.*

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RAPIDLY AT THE END OF IT BOEGNER SAID THAT IT WAS THE FRENCH INTENTION THAT THE PERCENTAGES SHOULD RISE ON A STRAIGHTLINE. BUT HE REFUSED TO GIVE ANY OTHER INDICATIONS OF WHAT THE FRENCH HAD IN MIND FOR PERCENTAGES (AND OUR INFORMANTS SAY CATEGORICALLY THAT RUMOURS CIRCULATING THAT THE FRENCH WOULD SEEK TO ACHIEVE AN OPENING UK CONTRIBUTION OF 14% WERE GIVEN NO SUBSTANCE BY ANYTHING THAT BOEGNER SAID DURING THIS MEETING).
4. SEVERAL PERMANENT REPRESENTATIVES REGRETTED THE LACK OF ANY REFERENCE TO CORRECTIVES FOR THE PERIOD AFTER THE FIVE YEAR TRANSITIONAL PERIOD. AND IT WAS POINTED OUT THAT THE SYSTEM PROPOSED BY THE FRENCH SEEMED LIKELY TO LEAVE THE BRITISH WITH A CONSIDERABLE JUMP BETWEEN YEAR FIVE AND YEAR SIX.

F C O PASS ADVANCE COPIES TO SIR C. O'NEILL (FCO) MR. TICKELL (FCO) MR. ROBINSON (FCO) MR. STATHAM (FCO) MR. BELL (TREASURY) MR. DENMAN (DOTI) MR. KEARNS (MAFF) MR. CROFT (CABINET OFFICE)

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TO IMMEDIATE F C O TELNO. CODEL 329 OF 26 MAY INFO PRIORITY TO
BONN THE HAGUE LUXEMBOURG PARIS ROME AND INFO SAVING TO BRUSSELS
ENLARGEMENT NEGOTIATIONS

COMMITTEE OF PERMANENT REPRESENTATIVES: 5/6 MAY

THE LONG SESSION OF THE COMMITTEE OF PERMANENT REPRESENTATIVES ON
5/6 MAY, ORIGINALLY SET ASIDE FOR PREPARING THE EEC COUNCIL
OF 13 MAY AND THE MINISTERIAL MEETING WITH US ON 11 MAY, HAS
IN THE EVENT BEEN SUBSTANTIALLY GIVEN OVER TO PREPARATIONS
FOR THE EMERGENCY COUNCIL MEETING ON THE INTERNATIONAL
MONETARY SITUATION WHICH IS TO BE HELD ON 8 MAY (UKDEL TEL. NO.
112 REFERS). AS A RESULT OF THIS THE COMMITTEE HAS NOT BEEN
ABLE TO TAKE ANY FURTHER A NUMBER OF ITEMS ON THE AGENDA FOR
10 AND 11 MAY. THERE HAS BEEN NO FURTHER DISCUSSION ON
COMMONWEALTH SUGAR AND NEW ZEALAND DAIRY PRODUCTS. AND ON
EURATOM THERE HAS BEEN NO CONSIDERATION OF THE REPLY THE
COMMUNITY SHOULD MAKE TO OUR MAINTAINING THE PROPOSAL TO
EXCLUDE OUR DEPENDENT TERRITORIES, AND IN PARTICULAR HONG
KONG, FROM THE SCOPE OF THE EURATOM TREATY.

2. ON TARIFF QUOTAS AGREEMENT WAS REACHED TO PUT FORWARD THE
PROPOSAL ON ALUMINA REPORTED IN CODEL TEL. NO. 323. APART
FROM THIS THERE WAS A VERY BRIEF DISCUSSION ON AGRICULTURAL
TRANSITION (SEE MY TEL. NO. 332): AND AN EXPOSITION BY BOEGNER,
FOLLOWED BY A CERTAIN AMOUNT OF QUESTIONING, ON THE FRENCH
PROPOSALS WITH REGARD TO COMMUNITY FINANCE (SEE MY TELS. NOS.
321 AND 331).

3. WE ARE TOLD THAT THERE IS NOT LIKELY TO BE FURTHER DISCUSSION
BY THE COMMITTEE OF PERMANENT REPRESENTATIVES OF ANY OF THESE
SUBJECTS BEFORE THE COUNCIL MEETING ON 10 MAY.

F C O PSE PASS ADVANCE COPIES TO SIR C O'NEILL (FCO) MR TICKELL
(FCO) MR ROBINSON (FCO) MR STATHAM (FCO) MR BELL (TREASURY)
MR DENMAN (DOTI) MR KEARNS (MAFF) MR CROFT (CABINET OFFICE)
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TO IMMEDIATE FCO TELNO CODEL 321 OF 6 MAY INFO PRIORITY BONN
THE HAGUE LUXEMBOURG PARIS ROME INFO SAVING BRUSSELS.

ENLARGEMENT NEGOTIATIONS

COMMUNITY FINANCE

THE FRENCH TABLED A PAPER ON COMMUNITY FINANCE IN THE COMMITTEE
OF PERMANENT REPRESENTATIVES ON 5 MAY. FOLLOWING IS THE TEXT
OF THE PAPER:

PROJET DE REGLEMENT FINANCIER

DISPOSITIONS APPLICABLES AUX NOUVEAUX ETATS MEMBRES.

1. LES NOUVEAUX ETATS MEMBRES APPLIQUENT, A COMPTER DU 1ER
JANVIER 1973, LES DISPOSITIONS DE LA DECISION DU 21 AVRIL 1970
RELATIVE AUX RESSOURCES PROPOSEES.
2. LES CONTRIBUTIONS FINANCIERES DES NOUVEAUX ETATS MEMBRES
PREVUES A L'ARTICLE 3 - 2E DE LA DECISION DU 21 AVRIL 1970
SONT CALCULEES A L'AIDE DE LA CLE SUIVANTE:

ROYAUME-UNI	19.22%	A%
DANEMARK	2.54%	B%
IRELANDE	0.60%	C%
NORVEGE	1.81%	D%

3. POUR L'ANNEE 1973 LA VARIATION MAXIMUM DE LA PART RELATIVE
DES NOUVEAUX MEMBRES, TELLE QU'ELLE EST FIXEE A L'ARTICLE
3 - 3E DE LA DECISION DU 21 AVRIL 1970, EST CALCULEE PAR RAPPORT
A LA CLE DEFINIE AU PARAGRAPHE 2 CI-DESSUS.
4. LES PARTICIPATIONS FINANCIERES TOTALES DES NOUVEAUX MEMBRES
DECOULANT DES REGLES DES PARAGRAPHES PRECEDENTS, NE SONT APPELEES
QU'A CONCURRENCE DE :

185 EN 1973

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N% EN 1973

P% EN 1974

Q% EN 1975

R% EN 1976

S% EN 1977

A PARTIR DU 1ER JANVIER 1978, ELLES SONT INTEGRALEMENT APPELEES.
5. JUSQU'AU 1ER JANVIER 1978 LA FRACTION DU BUDGET DES COMMUNAUTES
NON COUVERTE PAR LES PARTICIPATIONS FINANCIERES DES NOUVEAUX
MEMBRES EST REPARTIE ENTRE LES ANCIENS MEMBRES SELON LES
DISPOSITIONS DE LA DECISION DU 21 AVRIL 1973./.

ADVANCE COPIES TO SIR C O'NEILL TICKELL ROBINSON AND STATHAM, FCO
BELL TREASURY AND KEARNS MAFF.

BRUSSELS SAVING PASSED.

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NOTE FOR THE RECORD

The Chancellor of the Federal German Republic, Herr Willy Brandt, accompanied by Herr Ulrich Sahm and the German Ambassador in London, Herr von Hase, came to see the Prime Minister on Thursday, 6 May, 1971, at 12 noon. Mr. R.T. Armstrong was also present.

The Prime Minister welcomed the Federal Chancellor, and thanked him for the speech which he had made at the Anniversary Celebration Dinner for The Guardian the previous evening. It was important to make it clear to British public opinion, as the Federal Chancellor had done, that the E.E.C. countries wanted us in the Community.

Original filed on
Germany March 1971.

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Extract from Record of ~~Plus Meeting~~ with Herr Brandt
on 6 May 1971

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European Economic Community

The Federal Chancellor asked whether the Prime Minister had heard anything from Paris. The Prime Minister said that there had been one or two indications that the French Government were now more fully aware of the desirability of settling the main problems before the summer recess. He asked the Federal Chancellor whether it was still his opinion that the Prime Minister should meet President Pompidou at the appropriate time. The Federal Chancellor confirmed (perhaps a little hesitantly) that it was still his view that it would be useful for the Prime Minister to meet President Pompidou, at the appropriate time. He asked whether there had been any discussion of this possibility. The Prime Minister said that there had been some preliminary conversations between the Elysee and the British Ambassador in Paris. As soon as anything was firmly decided he would let the Federal Chancellor know (at the subsequent lunch party the Prime Minister added that he might well hear from President Pompidou quite soon whether the meeting was on or not). The Federal Chancellor said that he understood that the French Foreign Minister was due to come to London shortly; the Prime Minister confirmed that he was due to come on Thursday and Friday, 20 and 21 May.

The Federal Chancellor said that he had had a visit from the Prime Minister of New Zealand, following his visit to President Pompidou. The Chancellor said that he would be surprised if the French could not be convinced that it was essential to do something for New Zealand. In his talks with British Members of Parliament the previous day he had the strong impression

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Original filed on Germany
March 1971

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that the problem of New Zealand was an emotional one for this country. The Prime Minister agreed that there was great emotional steam behind the support for New Zealand in this country, based partly on the fact that New Zealand had built her agricultural economy on access to the British market, but partly also on the fact that New Zealand had sent her men to serve alongside British troops in both World Wars. It was necessary to convince President Pompidou that Britain was pressing for a satisfactory solution on this not because we wanted to keep New Zealand in our grasp, but because it was impossible overnight to change the pattern and orientation of the economy of a country. New Zealand had in fact made a big effort to diversify its markets; but it had been ironic for them to find that as a result of the EEC's agricultural policies French butter sold more cheaply than New Zealand butter in South East Asia.

The Federal Chancellor understood that securing a satisfactory arrangement for New Zealand was a point of honour for Britain. In his view it was also a test of credibility for an enlarged Community. If the Community could not find a satisfactory solution for this relatively small problem, the enlarged Community would not command confidence in other parts of the world either.

The Federal Chancellor said that they had run into similar, though perhaps even more serious, problems in relation to grain some years ago. Herr von Hase interjected that Herr Brandt had said yesterday that he had not invented the Common Market's agricultural policy.

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The Federal Chancellor agreed and said that the policy had been a serious mistake. The Treaty of Rome had not required such a policy. He attributed it to the permanence of Mansholt, but it was impossible to turn the clock back and undo the policy now.

The Prime Minister asked the Federal Chancellor to what he thought President Pompidou attached importance in relation to the future of Europe and the progress of the E.E.C. negotiations. The Federal Chancellor said that on the economic side it was the position of French agriculture with which the President would be mainly concerned. On the political side, his objective would be a somewhat changed relationship between the institutions of the Community. His view on Community institutions was not as extreme as that of General de Gaulle, and the Federal Chancellor saw no reason why it should not be possible to find a common position with the French. He thought that the founders of the E.E.C. had been over-sophisticated in thinking that the Commission could become a kind of Government of the Community. President Pompidou would accept that the Commission should remain independent; but the change of balance that had been envisaged between the Council of Ministers and the Commission, giving more power to the Commission and less to the Council, would not happen. It was clear to him that all concerned would have to accept that for a long time to come a European Government would have to include a large element of coordinating those who hold national responsibilities.

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It would be necessary to make new rules for the conduct of the Council of Ministers, which would not become easier to manage when there were ten members. His own view was that Foreign Ministers should continue to be the members of the Council, and he was not in favour of proposals for Ministers for Europe. Meetings of Foreign Ministers would, however, need careful preparation, at the political as well as the technical level; and he thought that it might well be appropriate that there should be people of ministerial rank alongside the permanent representatives in Brussels. He had mentioned this possibility to the British members of Parliament whom he had met the previous day; they had clearly been interested, because such an arrangement held out the prospect of greater national control in the institutions of the E.E.C.

The Federal Chancellor said that the French Government was still reluctant to move further on the development of the European Assembly. The Assembly had been given some additional competence last year. His own view was that it was better to develop the Assembly on those lines than to introduce the principle of direct election. The Prime Minister said that he shared this view.

The Prime Minister asked the Federal Chancellor whether the Luxembourg Agreement was working satisfactorily. The Federal Chancellor thought that more importance had been attached to it than it really contained. It had always been the position that on a question which was vital to one particular country a decision would not be pushed through in the Community against that country's wishes. Since the Luxembourg Agreement there had been

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some problems not of that nature which had been decided by the majority vote, and that would go on. It was essential in a community of this kind that, if a matter was regarded as of vital interest to one member, a decision should not be pushed through against that member's wishes; but it should also be made difficult for a Government to invoke this sort of "necessity" saving clause except where its vital interests really were involved. The Prime Minister agreed, and said that he well remembered M. Monnet saying to him many years ago that being in a community meant not overruling any one country on a point of crucial importance to the national interests of that country. This was not a matter just of rules; the fabric of a community would not stand the strain which that might impose upon it. The Federal Chancellor suggested that to make this sort of point clear would help in presenting entry into the EEC to British public opinion.

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Note of a Meeting held at 10 Downing Street, SW1,
on WEDNESDAY, 5 May 1971 at 3.00 pm

PRESENT

The Rt Hon Edward Heath MP
Prime Minister

The Rt Hon Sir Alec Douglas-Home MP
Secretary of State for Foreign
and Commonwealth Affairs

The Rt Hon Geoffrey Rippon QC MP
Chancellor of the Duchy of
Lancaster

Sir Denis Greenhill
Foreign and Commonwealth Office

The Rt Hon Christopher Soames
British Ambassador
Paris

Mr J A Robinson
Foreign and Commonwealth
Office

SECRETARIAT

Sir Burke Trend
Sir William Nield
Mr P E Thornton

SUBJECT

COMMON MARKET NEGOTIATIONS

COMMON MARKET NEGOTIATIONS

The Meeting considered a draft note, attached to a letter from Mr Tickell to Mr Moon of 5 May, containing proposed additions to the French list of subjects for discussion at a meeting between the Prime Minister and the French President. A number of amendments to the note were agreed in discussion and a revised version is attached as Annex A to the Minutes.

THE PRIME MINISTER, summing up a brief discussion, said that our Ambassador should transmit to the Office of the French President our proposals for additions to the agenda for the bilateral meeting in the form shown in Annex A to the Minutes. In handing over these proposals the Ambassador should explain that under the proposed new item at the beginning of Section 1 the Prime Minister would wish to discuss economic, political and defence issues including East/West relations. The Ambassador should also make clear that in proposing the addition of the new item after number 5 in Section 1 that it was the Prime Minister's intention in holding these discussions with the French President to reach clear and sufficient understandings to facilitate the resolution of the main outstanding problems in the negotiations by June: and unless the French President considered that it would be possible to achieve this the Prime Minister would not consider that his visit should take place. The Ambassador should agree the wording and timing of a joint announcement with M Jobert about the visit. Annex B to the Minutes contained our proposals for the form of the announcement, which we should propose should be made simultaneously in London and Paris on Saturday, 8 May. The Chancellor of the Duchy of Lancaster should make arrangements to inform the Governments of the Five, immediately before the public announcement. This might suitably be done by the British and French Governments simultaneously informing the Ambassadors of the Five in London and Paris. The Chancellor of the Duchy of Lancaster should also arrange for the United States Government to be informed immediately before the public announcement and for our Ambassador in Washington to be informed of the exchanges which had been taking place between the French President and the Prime Minister.

SECRET

The Ambassador would make appropriate arrangements for the Prime Minister's visit to Paris. Finally, the Ambassador should seek the agreement of the Elysee to arrangements being made for preparations by officials for the meeting so as to enable the French President and the Prime Minister to be made fully aware of the position and ideas of the other in respect of all the items on the agenda and thus to be better prepared for fruitful discussion.

The Meeting -

Took note, with approval, of the Prime Minister's summing up of their discussion.

Cabinet Office SW1

5 May 1971

SECRET

Additions to the Paper listing points to which
President Pompidou attaches importance

✶ Insert a new item at the beginning of Section 1 as follows:

"How do the President and the Prime Minister see the role of an enlarged Community in the World?"

2. Add a new item after number 5 in Section 1 as follows:

"The decisions necessary to ensure the early success of the negotiations for enlargement of the European Communities. What are the French Government's views on the main outstanding issues, and what understandings can now be reached between the President and the Prime Minister to facilitate the resolution of the main outstanding problems at the Ministerial meeting in Brussels on 21-22 June?"

3. Point 4 of Section 1 refers to the future of the French language in the institutions of the enlarged Community. It would be helpful to know what proposals the French Government have in mind.

J h

The President of the French Republic and the Prime Minister have discussed in informal exchanges the possibility of a meeting between them to discuss matters of common interest, and have agreed that the time has now come when such a meeting would be useful. The President has accordingly invited the Prime Minister to visit Paris on Thursday 20 and Friday 21 May 1971, and the Prime Minister has accepted this invitation with pleasure.

SECRET

27/5



Chancellor of the Duchy of Lancaster

Foreign and Commonwealth Office
Downing Street London SW1
Telephone 01-930 8440

5 May 1971

Prime Minister.
M
5/5

Dear Peter,

MEETING BETWEEN THE PRIME MINISTER
AND PRESIDENT POMPIDOU

It was agreed at the Prime Minister's meeting yesterday afternoon that we should draft a note of amendments to the French list of subjects, for discussion at the Prime Minister's meeting at 3.00 p.m. today.

2. The Chancellor of the Duchy has approved the attached draft. It seems to us essential to make the point in the footnote in writing. We are now in effect proposing a condition for the Prime Minister's meeting with Pompidou, and it is essential to avoid any possibility of misunderstandings.

3. I am copying this letter with enclosure to Sir Burke Trend.

Yours sincerely

C. C. C. Tickell

(C. C. C. TICKELL)
Private Secretary

P. J. S. Moon, Esq.

SECRET

SECRET



ADDITIONS TO THE PAPER LISTING POINTS TO WHICH
PRESIDENT POMPIDOU ATTACHES IMPORTANCE

Insert a new item at the beginning of Section I as follows:

do the President and the Prime Minister
"How ~~does the French Government~~ see the role of an enlarged Community in the world?"

2. Add a new item after number 5 in Section I as follows:

"The decisions necessary to ensure the early success of the negotiations for enlargement of the European Communities. Can understandings now be reached between the President and the Prime Minister which could lead to the resolution of the main outstanding problems?" (see note).

3. Point 4 of Section I refers to the future of the French language in the institutions of the enlarged Community. It would be helpful ~~first~~ to know what proposals the French Government have in mind.

Note

The inclusion of this item in the points to be covered at a meeting between the President and the Prime Minister, would confirm that it would be the intention of the President and the Prime Minister to reach at that meeting, in the light of progress made in Brussels on 11-12 May, understandings over the whole field so that the negotiations could be brought at the Ministerial meeting in Brussels on 21-22 June to the point of certainty of a successful outcome.

SECRET

FLASH
CYPHER CAT A

SECRET

FM PARIS 051935Z

DE DIP
SECRET

TO FLASH FCO TELNO 513 OF 5 MAY 1971.

PERSONAL FOR PERMANENT UNDER SECRETARY.

ON REFLECTION I SHOULD PREFER THE COMMUNIQUE NOT REPEAT NOT TO REFER TO QUOTE INFORMAL EXCHANGES UNQUOTE HAVING TAKEN PLACE SINCE THIS MIGHT FURTHER COMPLICATE MY ALREADY DELICATE RELATIONSHIP WITH SCHUMANN AND THE QUAI. MAY I THEREFORE AMEND THE TEXT TO READ QUOTE HAVE FOR SOME TIME HAD IN MIND THE POSSIBILITY UNQUOTE.
SOAMES

PERMUN:

SECRET

Ref. A09631

PRIME MINISTER

Overseas AffairsEEC Negotiations

If the arrangements with the French President are satisfactorily concluded, a public announcement will probably be made on Saturday, 8th May. You will wish to give some forewarning of this to the Cabinet; but it would probably be unwise to say more than that a meeting seems likely to be useful in the near future and that, given all the factors which have to be taken into consideration, an announcement may have to be made before the Cabinet meet again. Meanwhile, Ministers should be particularly careful to say nothing about the prospect of a meeting.

2. Meanwhile the Committee on the Approach to Europe (AE), under the Foreign and Commonwealth Secretary's chairmanship, have agreed Mr. Rippon's negotiating authority for the Brussels Ministerial Meeting on 11th/12th May. The Foreign and Commonwealth Secretary should report briefly to Cabinet on this.

3. The negotiating position agreed by AE is as follows -

Community finance

We have asked the Five not to agree French proposals which would clearly be unacceptable to us. We do not therefore expect the Six to have an agreed position on this subject on 11th/12th May. But, if they make counter proposals involving contributions of less than 10 per cent rising to not more than 20 per cent over 5 years (compared with our proposal of 3 per cent to 15 per cent in 5 years), Mr. Rippon should indicate that we are prepared to consider such counter-proposals as a basis for negotiation but not, of course, that we accept them.

New Zealand

AE considered that we should probably find more difficulty in obtaining a satisfactory settlement on New Zealand than on anything else. The Five seem ready to accept a gradual reduction in New Zealand's guaranteed access for butter and cheese to 62 per cent of current levels after 5 years, with some continuing arrangement thereafter. The French are insisting that guaranteed access should fall to zero after 5 years. AE agreed that the New Zealand Government must be asked for their priorities in working out a fall-back position from our existing (unrealistic) bid for guaranteed access for existing quantities for 5 years, with provision

for a review. Mr. Marshall is unable to visit London this week to discuss the matter with Mr. Rippon; but the New Zealand Government have been asked, via the High Commissioner, to let us have their views on a fall-back position as soon as possible. Until we have them Mr. Rippon will be unable to carry matters forward significantly at the May meeting. The general view of AE seemed to be that it would be very difficult to secure public acceptance here for anything less than 70 per cent of present quantities after 5 years, plus a review.

Sugar

There are two possible approaches to a solution -

- (i) assured access for a stated quantity of sugar more or less indefinitely;
- (ii) a general assurance that the enlarged Community would provide comparable advantages to those now enjoyed by developing Commonwealth countries in the United Kingdom market.

In practice we believe that the second approach would probably give Commonwealth producers a better deal, since we should be members of the Community when the assurance was put into practice. The producers themselves, however, will probably go for a firm figure, although they are unlikely to be offered more than a maximum of 1 million tons compared with their present quotas here of 1.37 million tons. Again, Mr. Rippon can go no further on 11th May than to undertake to study any reasonable proposals made by the Six and to indicate that he will have to consult Commonwealth countries concerned before giving a considered reply.

Agricultural transition

AE decided that the Chancellor of the Duchy should try to reach agreement on 11th May to give full Community preference on agriculture from the day of entry. But in exchange we should want concessions on horticulture, the length of the period for moving to Community agricultural prices and an orderly phasing-out of access for a few commodities from third countries, in particular Australian sugar and butter. (But Mr. Soames emphasised yesterday - and the wording of the proposed agenda makes it clear - that the French seem determined not to help us out over even the most limited range of third country supplies).

Lucie E. S.

5th May, 1971



Factsheets on Britain and Europe

ISSUED BY HM GOVERNMENT

NO.4

Industry and technology in the Common Market

The purpose of this series is to present the facts about the Common Market, the considerations which have led the Government to apply for membership, the problems which have to be overcome and the progress so far made in the negotiations.

THE IMPORTANCE OF INDUSTRY

Western Europe consists of a group of developed and industrialised countries, containing about a tenth of the world's population. In population terms, half of it is made up of the six Common Market countries. The following table demonstrates, in terms of three important sectors, the industrial importance of Western Europe, and the European Community, in relation to the USA and the rest of the world.

OUTPUT OF SOME MAJOR INDUSTRIES
Shares of World Production, 1969

		(Percentages)		
		<i>Electrical Energy</i>	<i>Crude Steel</i>	<i>Passenger Cars</i>
1.	USA	38	23	37
2.	Western Europe of which:	27	28	42
	EEC	13	19	31
	UK	6	5	8
3.	Rest of world	35	49	21

In both the Common Market and the UK industry has about the same importance as a proportion of total output (about half); and despite some superficial differences in taste, the basic markets for industrial and manufactured goods are almost identical.

HOW THE COMMON MARKET HAS GROWN

One of the striking facts about the Common Market is its rate of economic growth. Over the period 1958 to 1968, Gross National Product, the total value of all goods produced and services rendered, increased twice as fast in the Six as in Britain. Over the period 1958 to 1969 their production all but doubled. In the same period Britain's increased by about 50 per cent.

There have been several reasons for this continuing faster growth. Post-war rebuilding of the major industries using new machinery and the latest technology; a supply of workers leaving agriculture for industry; and, until recently, proportionately less spent on defence than in Britain, have all contributed. But the Six themselves believe that a major impetus behind this faster growth was the existence of the Community.

A substantial, fast-growing market for goods, such as the Six have established, provides great incentives for a sustained high level of investment in new plant and machinery. This in turn enables a country to maintain or improve its competitive position in world markets. In 1968 we in Britain put under a fifth of our Gross National Product back into new investment, whilst the Community put back nearly a quarter.

TECHNOLOGY

The importance of research, innovation, and technology to countries as industrialised as the Six is naturally immense. The Community recognises that dynamic industrial development and expansion of employment, which it is determined to maintain, will depend increasingly on the prompt industrial exploitation of the results of scientific and technological research and development. Such work is costly, particularly in areas of advanced technology such as nuclear energy, space, aviation and computers. It is increasingly beyond the

resources of any single European country to support alone the research and development effort which its industry needs to be both efficient and able to compete with the industries of the USA, the USSR and Japan. There is thus an urgent need for European countries to collaborate across national frontiers by pooling research facilities and co-operating in joint research programmes.

This is what the Six have been doing, not only amongst themselves but also with other countries, either bilaterally or through multinational organisations. The United Kingdom is already involved with members of the Six, but as the Community's industrial policy develops, co-operation between industries of member countries will become easier, and co-operation between industries of member and non-member countries may become more difficult.

April 1971

This is the fourth of a series of leaflets. Other subjects shortly to be covered include: trade; social security; agriculture; and sovereignty.

These Factsheets are available at Post Offices.
But organisations, schools, etc., wishing to
have 10 copies or more should write to
PO Box 201, Mitcham, Surrey.

CONFIDENTIAL

RECORD OF A MEETING HELD BY THE PRIME MINISTER ON TUESDAY
4 MAY, 1971, AT NO. 10 DOWNING STREET TO DISCUSS STERLING
WITH RELATION TO BRITAIN'S ENTRY INTO THE E.E.C.

Present: Sir Douglas Allen (Permanent Secretary, Treasury)
Sir William Nield (Cabinet Office)
Mr. A.D. Neale (Second Perm. Secretary, Treasury)
Mr. A.K. Rawlinson (Under Secretary, Treasury)
Mr. J.G. Owen (Under Secretary, Treasury)
Mr. Hans Liesner (Deputy Director Economics, Treasury)
Mr. Peter Thornton (Cabinet Office)
Mr. Robert Armstrong
Mr. P.J.S. Moon

The Prime Minister said that there were two problems which needed to be examined. The first was French objection to the sterling area. They appeared to regard maintenance of the sterling area in some way as incompatible with British membership of the Community. They were partly influenced by a feeling of inferiority which it gave them. There was also the question of the possible burdens it could place on the Community.

The second question was the regulation of capital movements and in particular the advantages at present enjoyed by the old Commonwealth and South Africa.

In the subsequent discussion the following main points were made.

CONFIDENTIAL

CONFIDENTIAL

- 2 -

Sterling Area

French objections were essentially to sterling as a reserve currency, not as a trading currency. It was easy to talk of reducing the sterling balances but less easy to devise means to bring this about. It would be very difficult to handle the exercise in a controlled way, and an uncontrolled reduction could involve heavy costs. A main problem would be finding an alternative asset into which sterling holders could move. An extension of the S.D.R. system might be a possible solution, but it would need a great deal of working out. An arithmetical solution of the kind the French were seeking, with regular 5% reductions, was really out of the question. Preventing an increase in sterling balances was rather easier than bringing about a reduction. It might be done by varying the Basle Agreements. It was not unreasonable of the French to ask that there should be some change to reduce the attraction of funds into sterling. On the other hand there should not be progressive changes in the Basle Agreements leading to our ending up with dollar guarantees for the balances and no minimum sterling proportions in return.

Capital Movements

There was going to be strong pressure on us to cease

CONFIDENTIAL

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- 3 -

discrimination in favour of the old Commonwealth and South Africa over capital movements. This was something which interested not only the French but other members of the Six. On the other hand there was serious difficulty over either removing control of capital movements to Europe or imposing control of movements to Australia and New Zealand. It was also necessary to bear in mind the immediate reaction which would be produced if it became known that these matters were being discussed. Reference was made to the unsatisfactory nature of the voluntary programme which presently operated with regard to movements of capital to the old Commonwealth.

Am.

SECRETARY

SIR ROBERT TROUD
SIR WILLIAM BROWN
MR P. E. THORP

SECRET

GROUP WORKS INFORMATION

7 May, 1971

CONFIDENTIAL

THIS DOCUMENT IS THE PROPERTY OF HER BRITANNIC MAJESTY'S GOVERNMENT

410/3

COPY NO. 2

Note of a Meeting held at 10 Downing Street, SW1, on
TUESDAY, 4 May 1971 at 4.00 pm

PRESENT

The Rt Hon Edward Heath MP
Prime Minister

The Rt Hon Sir Alec Douglas-Home MP
Secretary of State for Foreign
and Commonwealth Affairs

Sir Denis Greenhill
Foreign and Commonwealth Office

The Rt Hon Geoffrey Rippon QC MP
Chancellor of the Duchy of
Lancaster

The Rt Hon Christopher Soames
British Ambassador
Paris

Mr J A Robinson
Foreign and Commonwealth Office

SECRETARIAT

Sir Burke Trend
Sir William Nield
Mr P E Thornton

SUBJECT

COMMON MARKET NEGOTIATIONS

SECRET

COMMON MARKET NEGOTIATIONS

The Meeting considered the annexed telegram from our Ambassador in Paris recording the items which the French President wished to discuss at a meeting with the Prime Minister on 20/21 May.

MR SOAMES said that the items included in the list were no surprise: at first sight, exclusion of the main problems arising from the negotiations was surprising. However, M Jobert had told him that M Pompidou's view was that if he and Mr Heath could reach understanding on the items proposed all the rest would follow. M Jobert had added that he was sure that the French President would be prepared to discuss the problems arising in the negotiations if the Prime Minister wished to do so. Mr Soames suggested that, in addition to any items we wished to propose, we should ask that Item 4 should cover French as well as British proposals in relation to the future of the French language.

THE FOREIGN AND COMMONWEALTH SECRETARY said that bilateral discussions restricted to the items which the French President had suggested could be dangerous. The Prime Minister would be pressed to make concessions on sterling and agricultural community preference which the French could make public, and find himself unable to secure any precise agreement on matters of concern to the UK which we might be told should be handled à Six at Brussels. It was therefore necessary to devise some means of ensuring, so far as we could, that at such talks progress was made on issues of concern to us such as New Zealand, Community finance and sugar, as well as on the issues which M Pompidou had raised.

In discussion there was general agreement that we should ask for the addition of 2 items to the proposed agenda. First - and preferably the opening item of the talks - "The Role of the Enlarged Community in the World". Secondly - and preferably at the end of the agenda - "The Decisions needed to ensure a Successful Outcome to the Enlargement Negotiations in June". It was pointed out that the addition of the first item would widen the scope of the discussion about the future of Europe beyond the restricted French interests which M Pompidou had asked to be placed on the agenda and would enable

the Prime Minister to introduce into the discussions, if this seemed appropriate, the consequences of failure of the negotiations. As for the second item to be proposed, it was obviously necessary for the Prime Minister to review with M Pompidou the stage reached in the negotiations after the Brussels meeting on 11/12 May and to seek detailed agreement on the lines on which the outstanding problems could be settled. It should be made clear to the French Government that unless M Pompidou was prepared to agree in detail solutions to our problems in the negotiations -- as well as to his own -- the British Government would see little or no advantage in a bilateral meeting.

THE PRIME MINISTER, summing up the discussion, said that the Meeting agreed that M Pompidou's proposals for the agenda for the bilateral meeting on 20/21 May were acceptable so far as they went. But he would propose the addition to the agenda of the 2 items agreed in discussion. The Chancellor of the Duchy of Lancaster should now arrange for the preparation of a draft of a paper for transmission to the French President proposing these additions; and should also arrange for officials to consider what arrangements we should propose to M Pompidou for adequate preparation of the bilateral meeting with the object of seeking to ensure that at the meeting the basis for a satisfactory settlement of our outstanding problems in the negotiations was hammered out. The Meeting would consider the terms of the proposed reply to M Pompidou on the following day. Our Ambassador would ensure that a suitable programme of arrangements was made for this important meeting.

The Meeting -

Took note, with approval, of the Prime Minister's summing up of their discussion.

Cabinet Office SW1

4 May : Add at the end of Mr Soames' statement (paragraph 2 of minutes):

"M Jobert had told him that M Pompidou would be grateful if the Prime Minister did not inform the Federal German Chancellor of the proposed meeting during his visit to the United Kingdom on 5-6 May. M Jobert had suggested that Herr Brandt might simply be asked to confirm that he remained in favour of such a meeting. The Prime Minister could add that he would inform Herr Brandt as soon as any meeting had been arranged." The French Foreign Minister remained in ignorance of the proposed meeting."

DE DIP

YPI CAT A

FM PARIS 041216Z

SECRET

DE DIP

ADVANCE COPY

P.S.

TO FLASH FCO TEL NO 497 OF 4 MAY.

N I P T.

FOLLOWING IS TEXT OF FRENCH PAPER.

(BEGIN)

FRENCH AGENDA

SECTION -I-

1/- FONCTIONNEMENT DES INSTITUTIONS : IDENTITE DE VUE DES DEUX GOUVERNEMENTS SUR L'AVENIR DES INSTITUTIONS EUROPEENNES ET SUR LEURS MODALITES DE FONCTIONNEMENT : EN PARTICULIER, LE GOUVERNEMENT BRITANNIQUE RECONNAIT-IL QUE MEME POUR LES DECISIONS SUSCEPTIBLES D'ETRE PRISES A LA MAJORITE, LA DISCUSSION AU SEIN DU CONSEIL DEVRA SE POURSUIVRE JUSQU'A CE QU'ON SOIT PARVENU A UN ACCORD UNANIME, LORSQUE DES INTERETS TRES IMPORTANTS D'UN OU DE PLUSIEURS PARTENAIRES SONT EN JEU ?

(ACCORD DIT "DE LUXEMBOURG").

2/- AVENIR DE LA LIVRE STERLING:

- DANS L'IMMEDIAT, ENGAGEMENT DE STABILISATION DES BALANCES STERLING A LEUR NIVEAU ACTUEL.

- PAR QUELS MECANISMES LE GRANDE-BRETAGNE ENTEND-ELLE RENDRE POSSIBLE LE REDUCTION PROGRESSIVE DE SES BALANCES APRES SON ENTREE DANS LE MARCHE COMMUN ?

- QUELS ENGAGEMENTS CHIFFRES EST-ELLE PRETE A PRENDRE DANS CE DOMAINE ?

PREFERENCE COMMUNAUTAIRE : LE GOUVERNEMENT BRITANNIQUE
SCRIT-IL, SANS AUCUNE EQUIVOQUE, A LA DECLARATION DE LA
COMMUNAUTE DU 1ER MARS 1971 SUR L'APPLICATION IMMEDIATE DES
MECANISMES DE LA POLITIQUE AGRICOLE COMMUNE, C'EST-A-DIRE
SUR LA MISE EN JEU, DES LE DEBUT DE LA PERIODE DE TRANSITION,
DE LA PREFERENCE COMMUNAUTAIRE DANS SON INTEGRALITE ?

4/- AVENIR DE LA LANGUE FRANCAISE AU SEIN DES INSTITUTIONS DE LA
LA COMMUNAUTE ELARGIE : QUELLES SONT LES PROPOSITIONS BRITANNI-
QUES ?

5/- COMMENT LE GOUVERNEMENT BRITANNIQUE ENVISAGE-T-IL LES MODALITES
SELON LESQUELLES SERONT RESPECTES LES DROITS ACQUIS DES PARTE-
NAIRES ACTUELS DE LA CONVENTION DE YAOUNDE, LORS DE L'ELARGISSE-
MENT DE CETTE COMMUNAUTE ?

SECTION -II-

1/- COMMENT LE GOUVERNEMENT BRITANNIQUE ENVISAGE-T-IL
LES CONSEQUENCES DE L'ELARGISSEMENT DE LA COMMUNAUTE
SUR LES PAYS QUI N'ADHERERONT PAS A LA COMMUNAUTE ?

2/- DEFINITION DE L'ENTREPRISE COMMUNAUTAIRE ET ATTITUDE
COMMUNE VIS-A-VIS DES INVESTISSEMENTS ETRANGERS.

BRITISH ADDITIONS (ENDS).

SOAMES

[A-B]

NNNN

FLASH

SENT AT 04/1341Z CVD

RECD AT 04/1342Z RB

SECRET

EDIP

TO FLASH FCO TEL NO 496 OF 4 MAY.

MY TELNO 495.

I CALLED ON JOBERT THIS MORNING. HE HANDED ME A PAPER (TEXT IN MIFT) AS PROMISED, WHICH HAD BEEN APPROVED BY THE PRESIDENT AND GAVE ME THE FOLLOWING COMMENTS ON IT. THE PAPER WAS IN TWO SECTIONS, THE FIRST CONSISTING OF POINTS TO WHICH THE PRESIDENT ATTACHED THE GREATEST IMPORTANCE AND THE SECOND COMPRISING POINTS OF LESSER IMPORTANCE. I ASKED JOBERT WHY THERE WAS NO MENTION OF OUR CONTRIBUTION TO COMMUNITY FINANCE OR OF NEW ZEALAND OR OF SUGAR. HE REPLIED THAT M. POMPIDOU'S VIEW WAS THAT IF HE AND MR. HEATH COULD REACH UNDERSTANDING ON THE POINTS IN THE PAPER, ALL THE REST WOULD FOLLOW. I SAID THAT I HOPED TO BRING BACK MR. HEATH'S REACTIONS. BUT I WOULD LIKE TO BE ABLE TO GIVE THE PRIME MINISTER A FEEL OF M. POMPIDOU'S THOUGHTS ON THE OTHER POINTS WHICH WERE OF CRUCIAL IMPORTANCE TO US. I WAS SURE MR. HEATH WOULD BE PREPARED TO DISCUSS WHAT WAS IN THIS PAPER BUT I EXPECTED HE WOULD WISH ALSO TO DISCUSS THESE OTHER MORE DETAILED MATTERS: WHAT WOULD M. POMPIDOU THINK OF THAT? JOBERT REPLIED THAT HE WAS CERTAIN THE PRESIDENT WOULD BE PREPARED TO TALK ABOUT THEM IF MR. HEATH WISHED: AND THEY WOULD SEE IN THE COURSE OF THEIR CONVERSATION TO WHAT EXTENT IT WAS ADVISABLE FOR THEM TO ENDEAVOUR TO REACH FINAL AGREEMENT BETWEEN THEMSELVES, OR HOW MUCH SHOULD BE LEFT FOR THE SUBSEQUENT MEETING IN BRUSSELS.

2. JOBERT TOLD ME THAT HE HAD PRESSED M. POMPIDOU TO TELL M. SCHUMANN ABOUT HIS PLANS, BUT THE PRESIDENT HAD REFUSED TO DO SO. M. SCHUMANN WOULD BE ACCOMPANIED TO MOSCOW BY A CROWD OF JOURNALISTS IN HIS AIRCRAFT AND IT WOULD BE UNWISE EVEN TO SEND HIM A TELEGRAM WHILE HE WAS IN MOSCOW. THE PRESIDENT WOULD SEE HIM ON HIS RETURN ON SATURDAY MORNING 8 MAY. HE INTENDED TO TELL M. SCHUMANN THAT DURING HIS ABSENCE THERE HAD BEEN EXCHANGES BETWEEN THE PRIME MINISTER AND HIMSELF AND THEY HAD AGREED THAT IT WOULD BE A GOOD THING TO SEE EACH OTHER SOON. IN THESE CIRCUMSTANCES IT WOULD BE UNNECESSARY FOR M. SCHUMANN TO GO TO LONDON AT THIS JUNCTURE. MOREOVER IF A MEETING WERE TO TAKE PLACE THIS MONTH, 22 AND 23 MAY WERE THE ONLY DATES WHICH M. POMPIDOU COULD OFFER MR. HEATH. I WOULD THEN BE SENT FOR BY M. SCHUMANN ON SATURDAY AND GIVEN THIS NEWS. DETAILS OF THE ANNOUNCEMENT WOULD THEN BE WORKED OUT WITH A VIEW TO IT BEING MADE THAT AFTERNOON.

3. I ASKED JOBERT WHETHER HE DID NOT THINK THE FIVE SHOULD BE INFORMED OUT OF COURTESY. HE AGREED AND SAID THAT PROBABLY THE BEST WAY WOULD BE FOR OUR AMBASSADORS TO BE INSTRICTED TO TELL the Government concerned one hour before release to the press of the announcement

SECRET

20



Chancellor of the Duchy of Lancaster

Foreign and Commonwealth Office
Downing Street London SW1
Telephone 01-930 8440

3 May 1971

Prime Minister,

M.

Dear Peter,

3/5

As you know, arrangements for New Zealand butter and cheese will be one of the most difficult issues to settle satisfactorily in the negotiations for our entry into the European Community. It is an issue on which the Prime Minister will wish to try to reach as detailed an understanding as possible with Pompidou when he visits Paris.

2. There is a basic choice of approach in seeking satisfactory arrangements for New Zealand butter and cheese. Either we could endeavour to secure the best terms for a five-year transitional period, with provision for a review towards the end of this period; or we could go for defined arrangements for a longer period (perhaps ten years) with no specific provision for subsequent arrangements. Under the first alternative, we would aim to provide for as substantial a market as possible for New Zealand in the fifth year, with the implication that some arrangements would have to be made for a further period. If we went for a longer transitional period, we would have to expect a reduction of the guaranteed market for New Zealand butter and cheese to be reduced to zero at the end of the longer period. (This would not of course necessarily mean a complete cessation of New Zealand exports: New Zealand could expect to continue to export quantities of cheese in particular even without guaranteed market arrangements.)

copied to EEC/Commonwealth (H)

/3.

P. J. S. Moon, Esq.

SECRET

SECRET

3. We need to know which of these broad alternatives the New Zealand Government wishes us to pursue; and we need to know this before the Prime Minister visits Paris on 19-20 May.

4. Mr. Rippon therefore proposes to suggest to the New Zealand Deputy Prime Minister that he should visit London as soon as possible for consultations. Since Mr. Rippon has to be away in Brussels for the Ministerial meetings with the Community on 11-12 May and in Reykjavik for the Ministerial meeting of EFTA on 13-14 May, it is desirable to get Mr. Marshall to come here at the end of this week. A visit then would have two further advantages.

(a) Ministers would be fully aware of New Zealand's preferences when they consider the briefs for the Prime Minister's visit to Paris, which will no doubt be at the beginning of the week beginning 17 May;

(b) if Mr. Marshall were to visit London immediately after the Brussels Ministerial meetings, it would look publicly as if we anticipated a critical position being reached during the Prime Minister's visit to Paris. A visit at the end of this week could be seen publicly in the context of preparation for the Ministerial meetings in Brussels.

5. I should be grateful to know - if possible today - whether you have any comments on the draft telegram.

6. I am copying this letter and enclosure to Johnny Graham here and to Sir Burke Trend.

Yours sincerely

C. C. C. Tickell

(C. C. C. TICKELL)

Private Secretary

SECRET

SECURITY CLASSIFICATION	PRIORITY MARKINGS
Top Secret Secret Confidential Restricted Unclassified	Flash Immediate Priority Routine

(Date) _____

Despatched _____

PRIVACY MARKING
In Confidence
En Clair. Code Cypher/

[Security classification] _____ SECRET

[Privacy marking] _____

[Codeword—if any] _____

Addressed to _____ WELLINGTON

telegram No. _____ (date) _____

And to _____

repeated for information to _____

Saving to _____

Draft Telegram to:—

Wellington

No. _____

(Date) _____

And to:—

Repeat to:—

Saving to:—

Distribution:—

PRISEC

Copies to:—

, Your telegram No 323 of 30 April: EEC/NEW ZEALAND

1 Please speak urgently to Mr Marshall on the following lines

2 We do not know what progress it will be possible to make at the Ministerial Meetings with the Community on 11-12 May, But the fact that the Community will be meeting for a total of 2½ days on the main issues involved in our negotiations means that we cannot rule out that real progress will be made by them towards adopting common positions; and since we are urging the Six to make real progress on all issues at next week's meetings, we must be in a position to respond to moves which they may make, in order to take full advantage of openings which may occur, Mr Marshall should also know that we are proposing, in the light of progress made in Brussels next week, to press for a further

/meeting

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meeting at Ministerial level with the Community as soon as practicable. Mr Rippon would therefore welcome it if Mr Marshall felt able to visit London at the end of this week. We much regret not having been able to give Mr Marshall more notice. But we understood from Sir K Holyoake that Mr Marshall would in fact be prepared to come here at short notice.

3 Mr Rippon would like to have a thorough discussion with Mr Marshall in the light of Sir K Holyoake's talk with M Pompidou, and the prospects for next week's Ministerial meetings. In particular, Mr Rippon would like to hear from Mr Marshall which of the broad alternative possible approaches to arrangements for New Zealand Marshall would prefer. These alternatives are, as we see them, either to continue to press for the best deal we can get for a 5-year transitional period (and it is clear that this would involve degression in the guaranteed markets for New Zealand butter and cheese perhaps to a point substantially below present levels in terms of milk equivalent) with provision for a review towards the end of the 5-year period to provide for some continuing arrangements thereafter; or on the other hand to go for a substantially ~~much~~ longer transitional period (perhaps 10 years, though we would obviously try for more) at the end of which New Zealand would no longer have a guaranteed market for butter and cheese in the enlarged Community. We need to know which of these two approaches New Zealand /would

NOTHING TO BE WRITTEN IN THIS MARGIN

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would prefer us to adopt once it is clear, as it will be, as we have always warned New Zealand, that our present proposals are not acceptable to the Community.

4 Mr Rippon noted Mr Marshall's preference that his visit to London should not be until the Six had given their response to our proposals on New Zealand dairy produce. We have of course fully considered this possibility, but are convinced that we should not wait for a further meeting with Mr Marshall until after next week.

5 Mr Rippon would be available for talks with Mr Marshall during 6 to 8 May inclusive. If it were helpful to Mr Marshall, he could also be available on part of the morning of 10 May.

NOTHING TO BE WRITTEN IN THIS MARGIN

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EEC Main file
with J. Clark

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Chancellor of the Duchy of Lancaster

Foreign and Commonwealth Office
Downing Street London SW1
Telephone 01-930 8440

RJ 4 May 1971

He has heard this and the
Prime Minister has seen.

P.A.

Dear Peter,

Am.

4/5

When Michael Palliser called on us at the end of last week he left with us the French text of part of the record, made by a member of the staff of Le Monde, of some remarks made by President Pompidou on 27 April at a lunch for about eight senior political journalists. The following is a translation:

"I am naturally less optimistic than I was two or three months ago because the English have not progressed by an inch and because they are putting forward, on the contrary, every week new questions - sugar, butter and now pears, for which they seek a special regime. Yet while these details are being discussed, the essential point is being forgotten, that is the question whether England is or is not ready to play the European game, whether she has really renounced the idea of entering in order to upset everything, whether with regard to currency, financial participation and political understanding she is ready to prove herself a loyal partner. In this respect I know nothing more than I knew three months ago. Every day one discovers

/new

P. J. S. Moon, Esq.

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new difficulties, new objections. This is logical as the final date approaches. With Mr. Heath I should naturally not be able to continue this dialogue of the deaf; we shall not be able to continue for much longer to avoid each other; but nothing has been fixed as regards a meeting."

Yours sincerely

C. C. C. Tickell

(C. C. C. TICKELL)
Private Secretary

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File
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CO

21

3 May, 1971

Thank you for your letter of 3 May with which you enclosed a draft telegram to Wellington instructing our High Commissioner to speak to Mr. Marshall about his coming to London in connection with the EEC negotiations. The Prime Minister has approved this telegram.

I am sending copies of this letter to Johnny Graham and Brian Norbury (Cabinet Office).

(SGD) P. J. S. MOON

copied to EEC/Commonwealth Pt 1

C.C.C. Tickell Esq.,
Foreign and Commonwealth Office.

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AAh

Prime Minister

MEETING WITH PRESIDENT POMPIDOU

At your meeting on 30 April to discuss the latest developments regarding your meeting with President Pompidou, you said that you would like to have a list of topics which you might want to discuss when you see Pompidou.

2. I attach a list of these subjects, and have added to it a short list of subjects on which you will want defensive notes in case Pompidou raises them.
3. This will serve as a checklist when Christopher Soames comes over on 4 May with the French list of subjects.
4. We can best consider whether, and if so how, to comment to the French in advance of your meeting with Pompidou on these various issues when we have seen the French list and heard what Jobert says to Christopher Soames about them.
5. You will of course also wish to raise with Pompidou when you see him the consequences of failure in the negotiations for our entry into the Community.

G.R.

(GEOFFREY RIPPON)
3 May, 1971

SECRET

cc Sir W. Nield
Sir B. Crend



TOPICS TO RAISE WITH PRESIDENT POMPIDOU

- A.
 - (i) Community Finance
 - (ii) New Zealand butter and cheese
 - (iii) Sugar from the developing Commonwealth countries
 - (iv) Agricultural transition including Community preference.
- B. Sterling (sterling balances and reserve role) and Capital Movements.
- C. Future of Europe (including relations with the United States and the Commonwealth)
 - (i) Political and Institutions
 - (ii) Defence
 - (iii) Economic, Commercial and Monetary.
- D. East West relations.
- E. French language and "cultural package".
- F. Relations between Anglophone and Francophone Africa.

TOPICS PRESIDENT POMPIDOU MAY RAISE:
DEFENSIVE BRIEFS REQUIRED.

- G. The neutrals (EFTA non-candidates).
- H. Technology:
 - (i) Concorde
 - (ii) Channel Tunnel
 - (iii) Centrifuge
 - (iv) Space
- I. Site of Community Institutions (unlikely to be raised.

Y 0578

MR ARMSTRONG

*Prime Minister,
This breaks down some
of the main EEC issues in
Mr Rippen's minute.*

Mr. 3/5

When Mr Soames brings over M Pompidou's "agenda" for the proposed meeting with the Prime Minister, we shall need to compare it with the following list of major subjects which need to be settled before the back of the negotiations can be said to have been broken.

This is not intended to imply that all these subjects have to be settled at the bilateral summit: though, of course, sufficient would have to be done there to enable a settlement on these subjects to be reached by, say, mid-July.

For convenient reference (our reply to M Pompidou's agenda will have to be swift) there is included under each of the main subjects below, an indication of the main aspects of each subject which in turn need to be settled before the subject can be considered as substantially settled. These subject headings are also convenient as giving a fuller indication of the scope of the questions which may have to be covered in probably less than ten hours of discussion, after allowing for translation.

THE FUTURE OF EUROPE (OUR "EUROPEANNESS")

Political Development (e.g. M Pompidou's speech on 21 January)
*Monetary, Economic and Commercial Development (on "European" lines)

Defence Policy (see Annex to Y0563 of 16 April)

*COMMUNITY FINANCING

The Level of our Initial Contribution

The Level of our Last Transitional Contribution

Our Transition to the Full "Ressources Propres" System

*NEW ZEALAND DAIRY PRODUCTS

Level of Guaranteed New Zealand Exports

Period for which Exports are Guaranteed

Price of New Zealand Exports (i.e. level of N.Z. earnings)

Any other assurances (review clause for commodity agreement)

COMMONWEALTH SUGAR ARRANGEMENTS

EEC and CSA Sugar Arrangements continue to end-1974
Community Arrangements thereafter (specific or general
assurance)

If specific, tonnage, price and period

Level of Domestic Community Production

AGRICULTURAL TRANSITION AND COMMUNITY PREFERENCE

Period and Steps for Price Adaptation

*Choice of UK or Community method of Transition

*Third Country Supplies - Phasing Out or "Remedial Action"

UK Safeguards - Horticultural Tariffs and Quotas

STERLING

(other than development of common policies above)

Capital Movements - Transitional Arrangements especially

*Non-discrimination between EEC and Old Commonwealth Countries

Subjects or aspects of subjects to which the French have
attached particular importance are indicated by an
asterisk.

W. Nield

WILLIAM NIELD

3 May 1971

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CYPHER CAT A

S E C R E T

P. J. S. Moon Esq

COPY NO 10

FM PARIS 031645Z

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TO IMMEDIATE FCO TELEGRAM NO 495 OF 3 MAY 1971.

YOUR TELEGRAM NO 288. PRIME MINISTER-POMPIDOU MEETING.

1. I SAW JOBERT BRIEFLY THIS MORNING TO TELL HIM THAT THE PRIME MINISTER AGREED IN PRINCIPLE THAT THE MEETING SHOULD TAKE PLACE ON THE DATES SUGGESTED BY THE PRESIDENT, I.E. 20 AND 21 MAY; THAT MR. HEATH ALSO AGREED WITH JOBERT'S SUGGESTION TO ME THAT AN ANNOUNCEMENT SHOULD BE MADE BEFORE RATHER THAN AFTER THE MEETING OF MINISTERS IN BRUSSELS; AND THAT SATURDAY 8 MAY WOULD PROBABLY BE A GOOD DAY FOR THE ANNOUNCEMENT.

2. I THEN WENT ON TO SAY THAT I HAD BROUGHT A PARTICULAR MESSAGE BOTH FROM THE PRIME MINISTER AND FROM YOU TO THE EFFECT THAT YOU HOPED VERY MUCH THAT M. POMPIDOU WOULD THINK IT RIGHT TO TELL M. SCHUMANN ABOUT THE ARRANGEMENTS WHEN HE SAW HIM TODAY. THIS WOULD ENABLE ME TO SEE M. SCHUMANN BEFORE HE LEFT TOMORROW FOR MOSCOW IN ORDER TO EXPLAIN TO HIM HOW MUCH YOU AND YOUR COLLEAGUES REGRETTED THAT YOU WOULD NOT BE ABLE TO RECEIVE HIM AS PLANNED; BUT THAT YOU HOPED NEVERTHELESS TO ARRANGE FOR HIM TO PAY THE VISIT BEFORE THE SUMMER HOLIDAYS.

3. JOBERT WAS ADAMANT HOWEVER THAT PRESIDENT POMPIDOU WOULD NOT IN ANY CIRCUMSTANCES WISH ME TO TALK TO M. SCHUMANN ABOUT THIS BEFORE HE LEFT FOR MOSCOW. (SPEAKING IN VERY STRICT PERSONAL CONFIDENCE WHICH MUST BE REPEATED, HE SAID THAT THE PRESIDENT COULD NOT RELY ON M. SCHUMANN TO KEEP HIS MOUTH SHUT.) I SAID THAT THIS PUT ME IN AN EXTREMELY DIFFICULT POSITION. I HAD BEEN INSTRUCTED BY THE PRIME MINISTER AND YOURSELF TO SPEAK IN THIS WAY TO M. SCHUMANN BECAUSE YOU WERE HIS HOSTS AND BECAUSE YOU WOULD NOT WISH HIM TO BE OFFENDED MORE THAN SEEMED INEVITABLE IN THE CIRCUMSTANCES. I REALISED THAT I COULD NOT SEE M. SCHUMANN IF THIS INDEED WAS THE PRESIDENT'S WISH. BUT I FELT I MUST AGAIN IMPRESS UPON JOBERT THAT THE PRIME MINISTER AND YOURSELF HAD HOPED SINCERELY THAT M. SCHUMANN WOULD BE TOLD AT LEAST BY THE PRESIDENT HIMSELF OF THESE PLANS BEFORE LEAVING FOR MOSCOW; FOR HIM TO DISCOVER IT ONLY ON HIS RETURN WOULD MAKE RELATIONSHIPS VERY DIFFICULT.

S E C R E T

4. WE LEFT

4. WE LEFT IT THAT I WOULD NOT NOW SEEK TO SEE M. SCHUMANN TODAY BUT THAT JOBERT WOULD TELL PRESIDENT POMPIDOU THAT THE PRIME MINISTER AND YOU BOTH HOPED THAT HE WOULD FEEL ABLE TO TELL M. SCHUMANN AS MUCH AS HE COULD BEFORE M. SCHUMANN'S DEPARTURE FOR MOSCOW. I ALSO MADE IT CLEAR THAT WHATEVER AND WHENEVER HE DID SAY TO M. SCHUMANN I HOPED THAT THE PRESIDENT WOULD EMPHASISE THAT IT HAD BEEN HIS (POMPIDOU'S) IDEA TO CHOOSE THESE DATES RATHER THAN ANY OTHERS. JOBERT ACCEPTED THIS.

5. SUBJECT TO WHAT EMERGES FROM JOBERT'S TALK TODAY WITH THE PRESIDENT I EXPECT TO SEE HIM AGAIN AT 11 AM TOMORROW.

SOA:ES

P R I S E C