

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T180/80

SUBJECT

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CONFIDENTIAL

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PP LISBON
GRS 134
CONFIDENTIAL
FM FCO 231210Z SEP 80
TO PRIORITY LISBON
TELEGRAM NUMBER 167 OF 23 SEPTEMBER
INFO UKREP BRUSSELS
MIPT. FOLLOWING IS TEXT OF MESSAGE FROM PRIME MINISTER TO
DR SA CARNEIRO: BEGINS
ALTHOUGH WE HAVE SINCE SPOKEN ABOUT THE SUBJECT ON THE TELEPHONE,
I WOULD LIKE NEVERTHELESS TO ACKNOWLEDGE YOUR MESSAGE OF
4 SEPTEMBER ABOUT PRE-ACCESSION AID. AS NO DOUBT YOU WILL BE
AWARE, PRESSURE OF OTHER BUSINESS ON THE AGENDA MEANT THAT THE
15/16 SEPTEMBER FOREIGN AFFAIRS COUNCIL DID NOT HAVE SUFFICIENT
TIME TO DISCUSS THE MATTER ADEQUATELY. ON THE RECOMMENDATION OF
THE PRESIDENCY, THE COUNCIL THEREFORE AGREED TO POSTPONE A
DECISION UNTIL ITS NEXT MEETING ON 6/7 OCTOBER.
AS I MENTIONED TO YOU WHEN WE SPOKE, I SHARE YOUR ANXIETY TO
ACHIEVE A POSITIVE OUTCOME AND UNDERSTAND YOUR POLITICAL DIFFI-
CULTIES. ENDS.

CARRINGTON

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CONFIDENTIAL

44520 - 1

PP LISBON
GRS 157
CONFIDENTIAL
FM FCO 231200 Z SEP 80
TO PRIORITY LISBON
TELEGRAM NUMBER 166 OF 23 SEPTEMBER
INFO UKREP BRUSSELS
PORTUGAL PRE-ACCESSION AID

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1. SA CARNEIRO WROTE TO THE PRIME MINISTER ON 4 SEPTEMBER TO ASK BRITAIN TO SUPPORT 'A FINAL AND HELPFUL DECISION' ON PRE-ACCESSION AID AT THE EUROPEAN COUNCIL ON 15 SEPTEMBER. MIFT CONTAINS THE TEXT OF THE PRIME MINISTER'S REPLY. PLEASE ARRANGE DELIVERY AS APPROPRIATE.

2. YOU SHOULD BE AWARE THAT SA CARNEIRO TELEPHONED THE PRIME MINISTER ON 12 SEPTEMBER TO UNDERLINE HIS 'GRAVE CONCERN' ABOUT THE POSITION WHICH HAD ARISEN. HE IMPLIED THAT BRITAIN WAS ALONE IN BLOCKING A POSITIVE DECISION. THE PRIME MINISTER SAID THAT IT WAS NOT THE CASE THAT THE DIFFICULTY CAME ONLY FROM BRITAIN. OTHER COUNTRIES WERE UNABLE TO ACCEPT THE FIGURES WHICH HAD BEEN RECOMMENDED BY THE COMMISSION. SHE HELD OUT NO HOPE THAT THE COMMUNITY WOULD BE ABLE TO OFFER THE 300 MUAS FOR WHICH THE PORTUGUESE WERE HOPING.

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10 DOWNING STREET

From the Private Secretary

21 September, 1980.

BF to Tel

The Prime Minister has seen your letter to me of 19 September. She has approved the enclosed draft message to Dr. Sa Carneiro except that she would like the second paragraph to read "As I mentioned to you when we spoke, I share your anxiety to achieve a positive outcome and understand your political difficulties". The first sentence of the existing draft should be deleted.

M. O'D. B. ALEXANDER

Paul Lever, Esq.,
Foreign and Commonwealth Office.

20.



Foreign and Commonwealth Office

London SW1A 2AH

19 September 1980

Prime Minister ①

Approve draft message?

S. J. Piche

Duty Clerk 19.9.

Please delete
the sentence
in brackets.

It would only
give the wrong
impression.

Dear Michael,

Page A

As requested in your letter of 5 September I attach a draft reply from the Prime Minister to Dr Sa Carneiro's message of 4 September about pre-accession aid. It was agreed that this should wait until we knew the outcome of this week's Foreign Affairs Council.

We would be grateful if you would let us know when the text of the reply has been approved so that we can telegraph it to our Embassy in Lisbon.

Yours etc

(P Lever)
Private Secretary

M Alexander Esq
No 10 Downing Street

DRAFT: minute/letter/teleletter/despatch/note

TYPE: Draft/Final 1+

FROM:

Reference

THE PRIME MINISTER

DEPARTMENT:

TEL. NO:

SECURITY CLASSIFICATION

TO:

Your Reference

- Top Secret
- Secret
- Confidential
- Restricted
- Unclassified

H E Dr Francisco Sa Carneiro
Prime Minister of Portugal

Copies to:

PRIVACY MARKING

SUBJECT:

.....In Confidence

Although we have since spoken about the subject on the telephone, I would like nevertheless to acknowledge your message of 4 September about pre-accession aid. As no doubt you will be aware pressure of other business on the agenda meant that the 15/16 September Foreign Affairs Council did not have sufficient time to discuss the matter adequately. On the recommendation of the Presidency the Council therefore agreed to postpone a decision until its next meeting on 6/7 October.

CAVEAT.....

I have already explained to you the ~~problem which this issue~~ raises for the United Kingdom. ~~But~~ As I mentioned to you when we spoke, I share your anxiety to achieve a positive outcome and understand your political difficulties.

Enclosures—flag(s).....



FILE
Gould
Master Records

10 DOWNING STREET

12-9-80

From the Private Secretary

Prime Minister's telephone conversation with Dr. Sa Carneiro

As you know, the Prime Minister of Portugal, Dr. Sa Carneiro, rang the Prime Minister this morning to discuss the question of pre-accession aid for his country.

Dr. Sa Carneiro said that he had rung to express his grave concern about the position which had arisen. He claimed that the position of the other member countries of the Community was "quite far open". The Portuguese Government was anxious to get a decision on 15 September, and a later decision would make it difficult to get his Government's plans under way. It would be a distressing situation if Portugal's oldest ally was to prevent a positive decision next week.

The Prime Minister said that she shared Dr. Sa Carneiro's anxiety to achieve a positive outcome at the forthcoming meeting of the Foreign Affairs Council. It was not the case that the difficulty came only from Britain. Other countries were unable to accept the figures which had been recommended by the Commission. In fact, the chances of getting pre-accession aid on the scale envisaged by the Commission were virtually nil. The Prime Minister said that she was not sure whether Dr. Sa Carneiro wanted a decision next week, whatever the amount, or whether, if the amount were inadequate, he wished the decision to be delayed. But she wished to make it clear that a delay in the decision would not mean more money: it would just mean more difficulty between those involved in the discussion. Dr. Sa Carneiro said that his attitude would depend on the amount offered. The Commission had recommended 350 MUAs, and the Federal German Government were prepared to offer 300. If an amount of this order were proposed, Portugal would accept. The Prime Minister said that she did not think that Portugal would be offered 300 MUAs. Dr. Sa Carneiro said that if the amount involved were "very much smaller", then it would be better to postpone a decision. This would of course have the effect that Europe's first gesture towards Portugal would have been to reduce a proposal made by the European Commission to the point where it was impossible for the Portuguese Government to go ahead with its plans. This was bound to work to the advantage of the Communists in the forthcoming election.

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The Prime Minister said that it was clearly a matter for judgement by the Foreign Ministers on Monday and Tuesday whether the amount to be offered was sufficient for Portugal. Dr. Sa Carneiro agreed that the matter should be left to the Foreign Ministers, and commented that his Foreign Minister would be in Brussels on Monday. The Prime Minister said she would ask the Foreign and Commonwealth Secretary to get in touch with his Portuguese colleague there.

I am sending copies of this letter to John Wiggins (HM Treasury), and David Wright (Cabinet Office).

Yours ever

Michael Alexander

S.J. Gomersall, Esq.,
Foreign and Commonwealth Office.