



Foreign and Commonwealth Office

London SW1A 2AH

4 April 1989

① OK
Goodchild
CBT

Dear Charles,

Mr Gorbachev's Visit

Prime Minister
Details of the
Agreement which will
be signed on
Thursday. CBT
4/4.

The details of the signing ceremony at 12.30 on 6 April have changed a little.

- (a) The agreement on nuclear safety is not ready for signature. We are not willing to sign while important technical issues in a protocol to the agreement are unresolved, while the Russians have rejected our suggestion of initialling the text.
- (b) They are also refusing to sign the short agreement in principle on the establishment of cultural centres. We wanted this to ensure that the provision about guaranteed freedom of access of such a centre in Moscow had authority on the Soviet side. The Russians have no difficulties over the text but want it treated as a press statement.

Unless the Russians change their mind therefore it would be helpful if the agreement in principle (copy enclosed) could be mentioned to Mr Gorbachev and given some coverage in press briefing, including the guaranteed access point. If the Prime Minister were able to refer to it in her press conference or interviews after the visit, that would be even better. We shall act similarly here.

All this means that only three documents will now be signed:

(i) Investment Promotion and Protection Agreement:

Designed to promote and protect inward investment in both directions, but in this case principally by British companies in the Soviet Union, and more widely to stimulate Anglo-Soviet trade and economic cooperation. Key provisions cover most favoured nation treatment for investing companies, no expropriation without full compensation, international arbitration procedures and the unrestricted transfer of capital and profits.

/(ii)



(ii) Memorandum of Understanding on Visa Procedures:

Clarifies and simplifies reciprocal practice over visas. Covers the timescale for issue of short-term visas (14 working days), those for stays of over three months (one calendar month), and visas for special categories such as VIPs, regular business travellers, children and urgent compassionate cases (3 working days). It also codifies those entitled to receive multiple entry visas (eg diplomats, resident journalists, cultural exchanges programme teachers and students, some businessmen); and cases where travel without a visa is allowed.

(iii) Memorandum of Understanding about the construction of a school in Leninakan:

Sets out the British Government's intention to pay for, build and equip a 400 place school in Leninakan in Armenia, and brings into effect a separate technical protocol covering the precise conditions under which the school will be built. Essentially the Soviet side will provide a site and basic services, and build the foundations, and the British side will undertake the design, construction and equipment of the school using the British COLA earthquake proof prefabricated system. The aim is to have the building at least weatherproof by next winter. Detailed arrangements are being handled between the Department of Education and Science here and the Armenian Council of Ministers on the Soviet side.

The texts of these agreements are still being finally cleaned up and reconciled in the two languages. Copies will follow shortly.

I am sending copies of this letter to Neil Thornton (DTI) and Tom Jeffrey (DES).

Yours ever,

Richard Gozney

(R H T Gozney)
Private Secretary

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