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Germany

10 DOWNING STREET

From the Principal Private Secretary

26 May 1982

See Jones,

Chancellor Schmidt and Reprocessing at Windscale

I am sorry that I have not responded before now to your letter of 30 March 1982 with which you provided advice on how the Prime Minister should respond to Chancellor Schmidt's request about the reprocessing of German spent fuel at Windscale.

I showed the Prime Minister your letter, and she was content with the substance of the response which you suggested should be given to the Germans.

As foreshadowed in my letter of 22 March, I then had a word with Chancellor Schmidt's office to see how they would like to take the matter further. In doing so I gave them the gist of what our response would be. They have now come back to us to say that they think that the best way of carrying the matter forward would be for our answer to Chancellor Schmidt's enquiry to be conveyed to Herr Hans Haunschild, the State Secretary at the Federal Ministry for Research and Technology, when he is in London for talks with British officials on Thursday and Friday of this week.

We here are perfectly content to fall in with the Germans' wishes on this. I understand that Herr Haunschild is due to have talks in your department on Friday morning, as well as lunch with Donald Maitland the same day, and I should be grateful therefore if you would arrange for your officials to let him know what we could do at Windscale to meet Chancellor Schmidt's request for help.

I am sending a copy of this letter to Francis Richards (Foreign and Commonwealth Office).

Yours ever,

Alvie Whitmore.

J.D. West, Esq.,
Department of Energy.

1.
PRIME MINISTER

Chancellor Schmidt and Reprocessing at Windscale

You will remember that when Chancellor Schmidt was at Chequers last month he raised, rather out of the blue, the question of reprocessing spent nuclear fuel from Federal German power stations at our plant at Windscale.

You undertook to consider his request and said that you would let him know whether, in principle, we could give the Federal Republic the help with reprocessing which he was seeking.

I had a word after your meeting with Herr Otto Von der Gablentz of Chancellor Schmidt's staff about the Chancellor's request, and he had been completely taken by surprise by it. The Chancellor had not been briefed to raise the matter with you; nor had he told his people that he proposed to mention it. Herr Von der Gablentz asked that when you had had advice on the Chancellor's approach, I should, as a first step, have an informal word with him about how to proceed.

We now have advice from the Department of Energy (Flag A). As you will see, this is not the first time the Germans have shown an interest in reprocessing their spent fuel at Windscale. But whereas BNFL had to tell the German Minister of Technology last September that there was no spare capacity, it now looks as though they might be able to give the Germans some help. The FCO are content that we should let the Germans know that we expect to be able to do some reprocessing for them (we have been waiting for the FCO's views for several days, and this explains the delay in submitting the Department of Energy's letter to you).

May I now speak to Herr Von der Gablentz to let him know that you are now in a position to make a forthcoming response to Chancellor Schmidt's approach to you?

16 April 1982

Yes not

JAH.

I spoke accordingly to Sir John
in the Federal Chancellery today. He
will convey his message, people at BNFL
we know that they are keen to proceed. JAH
28/4/82

Clive. ^{HW}
16w

Reference Energy's letter to
you dated 30.3.82. The FCO
are content with the letter and
will not be commenting.

ONS

15/4/82.



SECRETARY OF STATE FOR ENERGY
THAMES HOUSE SOUTH
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01 211 6402

Clive Whitmore Esq
Principal Private Secretary
10 Downing Street
LONDON SW1

30 March 1982

Dear Clive,

CHANCELLOR SCHMIDT AND REPROCESSING AT WINDSCALE

Thank you for your letter of 22 March asking for advice on how the Prime Minister should respond to Chancellor Schmidt's request about the reprocessing of German spent fuel at Windscale.

The fact that Chancellor Schmidt raised this subject without being briefed to do so is an indication of how important the question of reprocessing is to him politically. The German reprocessing programme has been held up for several years by a combination of state politics and anti-nuclear objections. The Germans have also become worried at their dependence on the French for reprocessing and the risk that the Mitterand Government would put a moratorium on foreign reprocessing contracts. This could lead to the closure of German nuclear power stations. Dr Von Bulow, their Minister of Technology, visited Windscale in September last year at his own request. He was given a full briefing at Windscale on BNFL's reprocessing capability. BNFL have several small reprocessing contracts with German utilities, and the General Manager, Mr Pilling, assured Dr Von Bulow that these will be carried out in the 1990's when the new plant (THORP) is built.

BNFL's order book for THORP was then stated to be full, and there was no spare capacity to offer the Germans at the time of Dr Von Bulow's visit. But a review of the likely domestic demands on THORP capacity is at present being made by the Company, and they expect that this may well result in some spare capacity. If so, they would like to take more work from German utilities.

I attach a draft letter which the Prime Minister could send to the Chancellor, or which could be drawn on as a message through their Embassy in London or our Ambassador in Bonn.

Yours ever,

J D West

J D WEST
Private Secretary



When we met at Chequers on 19 March, you mentioned to me your concern about reprocessing in the Federal Republic and your dependence meanwhile on the French reprocessing programme. I promised to look into the capacity at Windscale to see if we could help. I am glad to say that the position has changed slightly since Dr Von Bulow's visit to Windscale last September, when the General Manager explained to him that the Company could not take on any more business. The Company is at present reviewing the capacity of the plant and expects to be able to offer some additional tonnage to German utilities.

SUBJECT

cc Nates



Germany

10 DOWNING STREET

From the Principal Private Secretary

22 March 1982

CHANCELLOR SCHMIDT AND REPROCESSING AT WINDSCALE

When the Prime Minister and Chancellor Schmidt met at Chequers on Friday 19 March 1982, the Chancellor raised with her the question of reprocessing spent nuclear fuel.

While talking generally about the opposition to use of nuclear energy in Germany, he mentioned that the Federal Republic had no facility of its own for reprocessing and that they relied on the French to help them in this respect. He was anxious to diversify the facilities available to the Federal Republic for reprocessing, and he wondered whether the United Kingdom would be ready to reprocess spent nuclear fuel from Germany at Windscale. He specifically asked what the size of the reprocessing capability at Windscale was.

The Prime Minister undertook to consider Chancellor Schmidt's request and she said that she would let him know whether, in principle, we could offer the Federal Republic help with reprocessing. She also agreed to let him know the answer to his question about the extent of our capability at Windscale.

I had a word with Herr Otto von der Gablentz of Chancellor Schmidt's staff about the Chancellor's request after the meeting, and he had been completely taken by surprise by it. The Chancellor had not been briefed to raise the matter with the Prime Minister; nor had he warned his office that he proposed to mention it. I agreed with Herr von der Gablentz that when the Prime Minister had received advice on Chancellor Schmidt's approach, I would, as a first step, have an informal word with him about how to proceed.

The Prime Minister would be grateful for your Secretary of State's advice on how she should respond to Chancellor Schmidt's request.

I am sending a copy of this letter to Brian Fall (Foreign and Commonwealth Office) and David Wright (Cabinet Office).

C. A. WHITMORE

Julian West, Esq.,
Department of Energy.