



Seen by Prime Minister

SECRETARY OF STATE FOR ENERGY  
THAMES HOUSE SOUTH  
MILLBANK LONDON SW1P 4QJ

01 211 6402

John Coles Esq  
Private Secretary to  
the Prime Minister  
10 Downing Street  
London  
SW1

8 June 1984

Dear John

LONDON SUMMIT: LUNCH 8 JUNE

We have had a report from Japanese officials of the meeting which took place yesterday between President Reagan and Mr Nakasone on the question of oil emergency preparedness. It seems that it was agreed that the question of adequacy of oil stock levels would be an appropriate topic for discussion at lunch today, together with the question of the role of oil stock draw-down during a supply interruption. President Reagan apparently invited Mr Nakasone to take the initiative in introducing this topic, which his staff think it likely he will do.

The Energy Brief deals with the question of stock build, drawing attention to the potential effects on the market of any major build up of stocks. We think that stock levels are adequate to cope with any likely disruption.

The Japanese have suggested to us informally that there may be advantage in a meeting of Energy Ministers to carry forward discussion at the Summit. We have suggested to them that such a meeting could be misinterpreted by the market. It might imply serious concern about the present state of oil supplies and our ability to meet any major disruption. As mentioned in the Energy Brief, there is to be a further meeting of senior officials from the Summit countries under IEA auspices in the near future. Discussions could usefully be carried forward at that meeting. It could be confusing to change or duplicate these arrangements.

I am copying this letter to Brian Fall (FCO), Richard Hatfield and David Colvin (Cabinet Office).

Yours sincerely  
M F Reidy

M F REIDY  
Private Secretary

2008 Jun 08



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