

CONFIDENTIAL FILING

Prime Minister's meeting with Lord Wilson
8 July 1986

PRIME MINISTER

June 1986

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
25.6.86							
3.7.86							
15.7.86							
24.7.86							
25.7.86							
8.9.86							
13-7-87							

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PREM 19/24/5



Foreign and Commonwealth Office

London SW1A 2AH

13 July 1987

1) Mr. Wicks
2) Prime Minister

CDP
14/7

Dear Charles,

China Trade Centre in the London Docklands : Lord Wilson

Lord Wilson approached the Prime Minister and other Ministers a year ago about the proposal to establish a China Trade Centre in Docklands. In particular Lord Wilson wanted Hu Yaobang diverted to see the site for the project which the ICE Group had in mind (Nigel Wicks' letter of 8 July to Brian Leonard refers).

Lord Wilson has now written an intemperate letter about the project to the outgoing Chinese Ambassador, Hu Dingyi, and has asked our Ambassador in Peking to deliver a message to Premier Zhao Ziyang formally protesting about Chinese "behaviour". Sir Geoffrey Howe has asked our Ambassador, who happens to be back in the UK, to tell Lord Wilson that he has been instructed not to deliver the letter to the Chinese. Sir Richard Evans plans to speak to Lord Wilson or his office on 14 July. The purpose of this letter is to brief you in case Lord Wilson reacts by telephoning Number 10.

The recent background is as follows. The ICE Group envisaged the Docklands project being developed in partnership with the Tianjin Municipal Authorities. The latter have for more than a year shown interest in the idea and, latterly at least, appear to have had the passive support of the Peking Central Authorities. But they have never been able to provide financial backing.

We heard from the Chief Executive of the London Docklands Development Corporation (LDDC) in February this year that ICE had "fallen apart" and were no longer interested in the project. LDDC said they would welcome concrete proposals from anyone else. The Anglo/Chinese Development Corporation (ACDC) seemed to have emerged as a front runner to develop the site as a Chinese

/Trade



Trade Centre, with or without the participation of the Tianjin or central Chinese authorities. We believe however that the financiers of the original ICE project have still been interested in the idea and other groups seem to have shown some interest.

Lord Wilson's allegation is that Tianjin have acted contrary to their original agreement with ICE in negotiating a new business partnership with ACDC. Lord Wilson has suggested that ICE might wish to institute legal proceedings. Although the letter to Premier Zhao is short it makes reference to the parallel letter which Lord Wilson sent to the Chinese Ambassador which will almost certainly have caused offence in Peking. Telegram nos 1276-78 set out the texts (copies enclosed).

In talking to Lord Wilson we shall explain that it would be wrong for the British Government to play any part in transmitting his letter because:

- (a) its tone and that of the letter to the Chinese Ambassador are intemperate;
- (b) there is no reason why the Chinese Premier (who is also Acting General Secretary) should be involved in this matter, whatever the rights and wrongs of the case, simply because Lord Wilson is associated with it;
- (c) there are in any case two sides to the story, and two or possibly three British consortia are interested in the project. It would be inappropriate for HMG to become involved with any one of them.

I am copying this letter to Dr T Walker (PS/Secretary of State for Trade and Industry).

Yours ever
R N Culshaw
 (R N Culshaw)
 Private Secretary

C D Powell Esq
 PS/No 10 Downing Street

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 FM PEKING
 TO IMMEDIATE FCO
 TELNO 1276
 OF 090658Z JULY 87

FOR HEAD OF FED

CHINA TRADE CENTRE IN THE LONDON DOCKLANDS: LETTER FROM LORD WILSON

1. WE RECEIVED IN THE CLASSIFIED BAG ON 7 JULY, UNDER COVER OF A COPY OF A LETTER FROM LORD WILSON'S PRIVATE SECRETARY TO THE DEPARTMENT, DATED 24 JUNE, TWO SEALED ENVELOPES. ONE WAS ADDRESSED TO SIR R EVANS, AND THE OTHER TO PREMIER ZHAO ZIYANG. LORD WILSON'S PRIVATE SECRETARY, IN HIS COVERING LETTER, ASKED IF THE LETTER TO THE PREMIER COULD BE TRANSMITTED AS QUICKLY AS POSSIBLE. I OPENED THE LETTER TO SIR R EVANS (WHICH IS MARKED PRIVATE AND CONFIDENTIAL, ALTHOUGH THIS CAVEAT DOES NOT APPEAR ON THE ENVELOPE). THE TEXT OF THE LETTER IS AS FOLLOWS:

DATED 21 JUNE

DEAR SIR RICHARD,

I WANTED YOU TO HAVE COPIES OF CORRESPONDENCE I HAVE RECENTLY FELT IT NECESSARY TO SEND TO THE CHINESE AMBASSADOR HERE IN LONDON, AND TO MR. ZHAO ZIYANG (SIC).

THIS IS A VERY DIFFICULT SITUATION THAT HAS ARISEN, AND IN VIEW OF THE FACT THAT LITIGATION MAY AT SOME POINT BE INVOLVED, I WANTED TO ALERT YOU. I WANTED, OUT OF COURTESY TO BRING YOU UP-TO-DATE SO THAT YOU COULD AVOID ANY POSSIBLE EMBARRASSMENT.

SHOULD THERE BE ANY QUERIES, THEN PERHAPS YOU COULD LET ME KNOW THROUGH THE USUAL CHANNELS.

WITH BEST PERSONAL GOOD WISHES,

YOURS SINCERELY,

WILSON OF RIEVAULX

2. MY TWO IFTS CONTAIN THE TEXTS OF LORD WILSON'S LETTERS TO HU DINGYI AND TO ZHAO ZIYANG.

3. BACKGROUND

CHARLES CRUICKSHANK IN OT2/3, DTI, WILL BE ABLE TO GIVE YOU DETAILED BACKGROUND ABOUT ICE AND ACDC'S INVOLVEMENT IN THE 'CHINA TRADE AND CULTURAL CENTRE' IN THE LONDON DOCKLANDS. FROM HERE, IT SEEMS THAT ICE'S INVOLVEMENT IN THE PROJECT DATES FROM 1985 WHEN MEMBERS OF THE ICE GROUP, INCLUDING LORD WILSON, VISITED CHINA AND MADE THEIR PROPOSAL. DISCUSSIONS CONTINUED AND, BY SEPTEMBER 1986, THE ATTITUDE OF THE TIANJIN AUTHORITIES WAS POSITIVE (SEE OUR TELNO 1495

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(OF 1986)

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OF 1986). WE UNDERSTAND THAT ICE EXPERIENCED FINANCIAL DIFFICULTIES IN THE SECOND HALF OF LAST YEAR AND THAT, AS A RESULT, ACDC (TO WHOM LORD WILSON MAKES NO REFERENCE, TOOK ON THE PROJECT WITH THE TACIT APPROVAL OF THE LDDC. ACCORDING TO ACDC, TIANJIN NOW WISHES ACDC TO BE THE PRINCIPAL UK PARTNER FOR THE PROJECT AND IS INSISTING ICE'S PARTICIPATION SHOULD BE LIMITED TO A MAXIMUM OF 5 PER CENT OF THE EQUITY. WE ARE UNABLE TO SAY WHY TIANJIN'S POSITION CHANGED IN THE SIX MONTHS FOLLOWING HUGH DAVIES' TALKS WITH THE TIANJIN AUTHORITIES, BUT WE ASSUME THAT THIS WAS LARGELY A CONSEQUENCE OF ICE'S FINANCIAL DIFFICULTIES. (SULLIVAN'S UNDATED (FEBRUARY 1987) MINUTE TO MASEFIELD (WORD PROCESSOR REF. KS 1 AAK) ALSO CONTAINS RELEVANT BACKGROUND).

4. COMMENT

I AM CONCERNED AT THE PROSPECT OF OUR BEING ASSOCIATED WITH TRANSMITTING A LETTER AS INTEMPERATELY WORDED AS THAT IN MY SECOND LFT TO ZHAO. SINCE THERE APPEARS TO BE NO PROSPECT OF ICE GETTING BACK INTO THE PROJECT, AND SINCE THE MATTER IS ALREADY IN THE CHINESE ARENA AS A RESULT OF LORD WILSON'S (EVEN LESS RESTRAINED) LETTER TO THE DEPARTING AMBASSADOR, IT CAN DO NO GOOD AND MAY DO HARM. THAT SAID, I SEE LITTLE SCOPE FOR NOT FORWARDING IT VIA THE MFA'S PROTOCOL DEPARTMENT AND SHOULD NOT UNDULY DELAY IN DOING SO. I SHOULD, THEREFORE, BE MOST GRATEFUL FOR ANY COMMENTS OR GUIDANCE YOU MIGHT WISH TO OFFER BY 100300Z.

CHAPMAN

YYYY

PEHPAN 2571

LIMITED .

FED.

TRED.

PS/PUS.

MR. GILLMORE.

MR. MCLAREN .

MR. MAUD.

COPIES TO .

OT2/OT1

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 FM PEKING
 TO IMMEDIATE FCO
 TELNO 1278
 OF 090729Z JULY 87

FOR HEAD OF FED.

MY SECOND IPT: CHINA TRADE CENTRE IN THE LONDON DOCKLANDS:
 LETTER FROM LORD WILSON.

1. FOLLOWING IS TEXT OF LORD WILSON'S LETTER TO ZHAO ZIYANG :-

(DATED JUNE 1987).

IT IS WITH VERY GREAT REGRET INDEED THAT I HAVE TO WRITE TO YOU ABOUT THE CHINA TRADE CENTRE IN THE LONDON DOCKLANDS, ABOUT WHICH WE TALKED WHEN I HAD THE GREAT PLEASURE OF MEETING YOU ON MY VISIT TO BEIJING.

I VERY MUCH ENJOYED THAT MEETING AND THE OPPORTUNITY OF DISCUSSING WITH YOU MANY THINGS AS WELL AS THE MAIN PURPOSE OF MY VISIT TO YOUR COUNTRY. I CAME, AS YOU KNOW, LEADING A DELEGATION FROM THE ICE GROUP OF COMPANIES, OF WHICH I AM A DIRECTOR. WE WERE EXTREMELY PROUD, EXCITED AND ENTHUSIASTIC ABOUT THE CHINA TRADE CENTRE PROJECT, WHICH WE DEEPLY FELT WOULD BE OF SUCH BENEFIT TO BOTH OUR COUNTRIES.

SINCE THAT TIME, THERE HAVE BEEN DIFFICULTIES, BUT NONE OF THEM SUFFICIENT TO EXPLAIN THE SUBSEQUENT BEHAVIOUR OF CERTAIN PARTIES INVOLVED, AND ESPECIALLY THE TIANJIN MUNICIPAL GOVERNMENT.

I AM ATTACHING A COPY OF THE LETTER I SENT TO YOUR AMBASSADOR IN LONDON ON THE 16 JUNE, SO THAT HE COULD TRANSMIT TO YOU AND YOUR COLLEAGUES THE ASTONISHMENT, HORROR, AND DEEP DISAPPOINTMENT I FEEL ABOUT WHAT HAS HAPPENED. THE LETTER WAS A FORMAL PROTEST WHICH I FEEL I MUST REPEAT TO YOU PERSONALLY, AND TO ASK THAT WHAT HAS HAPPENED BE RECTIFIED WITHOUT DELAY.

MEANWHILE, I DO SEND MY PERSONAL GOOD WISHES TO YOU.

ENDS.

CHAPMAN
 PEHPAN 2574.

LIMITED.

FED
 TRED.
 PS/PUS.
 MR. GILLMORE.
 MR. MCLAREN
 MR. MAUD.

COPIES TO:

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LOED WILSON

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

8 September 1986

You wrote to Nigel Wicks on 4 September about Lord Wilson's possible participation in the trade seminar being arranged by the Department of Trade and Industry on "Britannia" in Shanghai on 14 October during the State Visit to China.

The Prime Minister agrees that Mr. Channon should reply in the terms proposed.

I am copying this letter to Colin Budd (Foreign and Commonwealth Office).

(CHARLES POWELL)

Michael Gilbertson, Esq.,
Department of Trade and Industry.

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Secretary of State for Trade and Industry

DEPARTMENT OF TRADE AND INDUSTRY
1-19 VICTORIA STREET
LONDON SW1H 0ET
Telephone (Direct dialling) 01-215
GTN 215)5422
(Switchboard) 01-215 7877

CEB

4 September 1986

CONFIDENTIAL

Nigel Wicks Esq
10 Downing Street
London SW1

Yes

*Prime Minister
Agree that Mr. Channon
should reply to Lord
Wilson in the terms
proposed?
CDP 4/9*

Dear Nigel,

Your letter of 8 July recorded the Prime Minister's meeting with Lord Wilson on 8 July about the proposed China Trade and Cultural Centre in Docklands.

The Prime Minister may wish to be aware that Lord Wilson came to see my Secretary of State on 31 July and raised, among other things, the question of his possible participation (representing the ICE Group) in the trade seminar being arranged by this Department on "Britannia" in Shanghai on 14 October during the State Visit to China. My Secretary of State explained to Lord Wilson that space for the trade seminar abroad the Royal Yacht is very limited and that it is not possible to accommodate all who would have wished to take part; the list of British participants has been full for some time and there is no scope for additions. This has meant that many applications to attend from major UK companies have had to be turned down. It could prove very awkward if Lord Wilson were to be allowed to take part at this stage. The Sea Day presentations relate to sectors carefully chosen to reflect China's economic priorities, and the inclusion of ICE, a firm of exhibition organisers, would be quite out of keeping with the themes of the seminar. I attach a list of the UK participants, which is still subject to the approval from Buckingham Palace, but is otherwise firm.

Lord Wilson subsequently wrote to Mr Channon on 6 August to

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BOARD OF TRADE
BICENTENARY



Y/S
emphasise his disappointment at this reply and to ask that his request be reconsidered, particularly in the light of what the Prime Minister had said to him earlier. We take this to be a reference to the Prime Minister's remark quoted in the third paragraph of your letter of 8 July, i.e that "Lord Wilson had only to ring No 10 to be included in any function for the Chinese". In replying to Lord Wilson my Secretary of State proposes to reaffirm what he said at the meeting and to say that he feels sure that the Prime Minister's remarks concerned Government-organised events in this country. I should be grateful if you could confirm that this is indeed what the Prime Minister had in mind.

I am copying this letter to Colin Budd (FCO).

*Yours ever,
Michael*

MICHAEL GILBERTSON
Private Secretary

DW4BIE



UK GUEST LIST

CO-CHAIRMEN

- Sir James Cleminson MC DL LLD - Chairman
British Overseas Trade Board
- Sir Eric Sharp CBE - President
Sino British Trade Council and
Cable & Wireless Plc
- G Sloan - President
48 Group

SPEAKERS

- A J Havelock - Director
British Electricity International
Ltd
- H B Bassett - Director
British Gas Corporation
- B G Sephton - Traction Director
Brush Electrical Machines Ltd
- M R H Smith - Managing Director
Baker Perkins Plc
- A F C Roberts - Executive Director
Short Brothers Plc
- P D Peters - Director, Sales and Marketing
Port of Felixstowe
- K Bacon - Managing Director
STC Telecommunications Ltd
- R G Reynolds - Managing Director
GEC Telecommunications
- Sir Ronald McIntosh KGB - Chairman
APV Holdings Plc
- R T Kingdon - Chief Executive
Davy McKee
- Dr D V Atterton CBE - Chairman
Foseco Minsep plc



- J Perry - Chairman
London Export Corporation Ltd
- B Buckman - Chairman
Wogen Resources

SUPPORT COMPANIES

- K Odell OBE - Engineering Director
Balfour Beatty
- C D West - Head of Regional Marketing
British Aerospace Plc
- Dr G R Newns - Director, China Division
British Telecom International
- A J Lippitt CB - Director, Group Exports
GEC Plc
- R N M Ward - Director
GKN International
- R T Fox - Vice Chairman
Kleinwort Benson
- S A Fox - Regional Director
Fima Metal Box Berhad
- J N G Mallinson - Managing Director
NEI International Ltd
- D Dey - Managing Director
Plessey Telecommunications
- F Turner - Managing Director
Rolls Royce Plc
- H Harrison CBE - Chairman
Simon Engineering Plc

OTHER GUESTS

- E W Beston - Assistant Secretary, China
Department of Trade and Industry
- H Davies - Commercial Counsellor
British Embassy, Peking



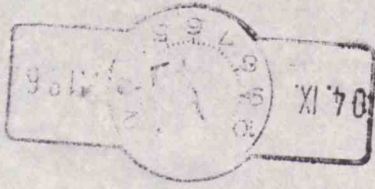
Miss M Penn

- Director
Sino British Trade Council

D E G Redston

- Chief Executive
48 Group

PRIME MINISTER: Mtg. Lord Wilson:
June 1986



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1 w/o



10 DOWNING STREET

THE PRIME MINISTER

25 July 1986

My dear Lord Wilson,

Thank you for your letter of 21 July about the China Trade Centre. It was indeed kind of you to offer me the opportunity of laying the foundation stone of the China Trade Centre. But I know that you will be the first to recognise the pressures on my diary. It would therefore not be right for me to hold out the prospect that I could undertake this engagement. I am sure that you will understand.

Yours sincerely
Margaret Thatcher

The Right Honourable Lord Wilson of Rievaulx, KG, OBE, FRS.

SRWAGY

PRIME MINISTER

Somewhat embarrassingly, Lord Wilson has written yet again about the China Trade Centre. He says that his original invitation to you to lay the foundation stone of the centre in 1990 was a mistake. The ceremony would be held, in fact, in March 1987 and he asks you to reconsider the invitation.

I am sure that the background to this project, and its promoters, would make it inadvisable for you to be associated with it. I therefore attach a draft letter, in as polite terms as possible, declining the invitation.

Draft letter attached for your signature, please.

N.L.W.

(N. L. WICKS)

24 July 1986



As CF

L23/7

21 July, 1986

Dear Prime Minister,

Thank you for your further letter of the 15 July, about the China Trade Centre. I will now, as you suggest, contact the Departmental Ministers concerned on the outstanding points where advice and assistance is required.

With regard to the invitation to lay the foundation stone of the Centre, while I do fully understand what you said in your earlier letter, I felt I should write again on this since a mistake was clearly made about the timing. In fact the Ceremony would be held in March of next year 1987. The ICE Group hope very much, therefore, that you will reconsider their invitation and I should be delighted if you could accept in principle for a date of your own choice.

With kind regards,

Yours,

(Harold) Wilson

The Rt. Hon. Mrs. Margaret Thatcher, M.P.

PM: Mtg with Lord Wilson: June 86



CF
For you to keep.



SL3A50

10 DOWNING STREET

From the Principal Private Secretary

15 July 1986

Dear Brian,

Further to my letter of 8 July reporting the Prime Minister's meeting with Lord Wilson about the China Trade Centre, I now write to say that Lord Wilson has recently written to the Prime Minister saying that he looks forward to her comments upon the memoranda he left after the meeting. I have already sent you copies of these memoranda with my letter.

The Prime Minister has replied to Lord Wilson in the terms of her letter of 15 July attached. You will see that she does not herself wish to become involved in answering his detailed questions, but has said that the departmental ministers concerned would wish to do their best to answer any particular questions.

I know that the Prime Minister would wish the ministers concerned to give Lord Wilson as helpful replies as possible, within the constraints which she set out during the meeting of 8 July, to any questions which he might address to your Minister and the ministers of the Private Secretaries to whom I am copying this letter.

I am copying this letter to Catherine Bradley (Department of Trade and Industry), Colin Budd (Foreign and Commonwealth Office), and John Turner (Department of Employment).

Nigel Wicks
Nigel Wicks

N L WICKS

Brian Leonard, Esq.,
Department of the Environment

DLG



10 DOWNING STREET

THE PRIME MINISTER

15 July 1986

Dear Lord Wilson,

Thank you for your letter of 10 July about the memorandum which you left with my office after our meeting.

I do not think that there is anything I can add to what I told you during the meeting. Some of the matters raised in the memorandum are the concern of the LDDC, and for some of the others it is not the Government's practice to become involved in what is essentially a commercial venture. But I have had your memorandum drawn to the attention of the Departmental Ministers concerned and I know that they would wish to do their best to answer any particular questions. So if there are outstanding points from our discussion, could I suggest that you should get in touch with them.

With best wishes,

Yours sincerely
Rajiv Gandhi

GA

The Rt. Hon. Lord Wilson of Rievaulx, KG, OBE, FRS.



file

10 DOWNING STREET

From the Principal Private Secretary

14 July 1986

PROPOSED CHINA TRADE CENTRE

Further to my letter of 8 July, could you please note that Lord Wilson was accompanied by Mr. Roger Wilby, not Mr. Shashoua as my letter indicated.

I am copying this letter to Catherine Bradley (Department of Trade and Industry), Colin Budd (Foreign and Commonwealth Office), and John Turner (Department of Employment).

N L WICKS

B. H. Leonard, Esq.,
Department of the Environment

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NOTE FOR THE FILE

Note to remind Nigel to tell departments of Lord Wilson's letter of 10 July and to send them a copy of the Prime Minister's reply when she has signed it.

14 July 1986

PRIME MINISTER

YOUR MEETING WITH LORD WILSON

Unfortunately, Lord Wilson in his 'thank you for seeing me' letter which is attached at Flag A, has said that he looks forward to your comments upon the papers (at Flag B) which he left with you. I think you will have to reply, and I therefore attach immediately below a non-committal draft letter for your signature.

N.L.W.

N L WICKS

14 July 1986

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PL return copy
of letter +
alter pps of the
before despatch
letter to hand W
MW 14.7



CF
ppsd
N

10 July, 1986

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Dear Prime Minister .

Thank you for sparing time to see me on Tuesday, and for receiving Roger Wilby who accompanied me. I very much appreciated it in view of the heavy schedule you have.

I look forward to your comments in due course upon the memoranda I left with your office, which included the one Roger Wilby had written to me earlier.

Thank you again and with every good wish,

Yours sincerely,

Harold Wilson

The Rt. Hon. Mrs. Margaret Thatcher, M.P.

PRIME MINISTER; Lord Wilson ntdg June 80





10 DOWNING STREET

THE PRIME MINISTER

9 July 1986

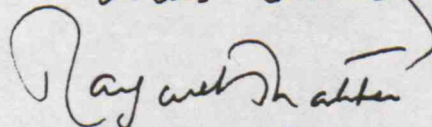
Dear Lord Wilson,

Thank you for leaving with me the memorandum about the China Trade and Cultural Centre Project.

It was indeed kind of you to invite me to lay the foundation stone on completion of the project in 1990. But I am sure that you will understand that this is too far ahead for me to make any commitment even in principle.

Kind regards,

Yours sincerely



The Right Honourable Lord Wilson of Rievaulx,
KG, OBE.

ds



MEMORANDUM

FROM: THE RT. HON. THE LORD WILSON OF RIEVAULX, KG, OBE, FRS
TO: THE PRIME MINISTER, THE RT. HON. MRS. MARGARET THATCHER, MP.

8th July 1986

I was concerned and embarrassed by what happened at the time of the recent visit to London of the Chinese leaders, Mr. Hu Yaobang and Mr. Li Ping. I felt as the result of the embarrassment that I had to postpone my planned trip to the Far East since there was an obvious lack of support from my own Government for what I was trying to do. Other major concerns and companies involved with China trade were included in arrangements for the visit but the ICE Group, responsible for the proposed China Trade Centre in the London Docklands, were not. I was not myself given the opportunity personally either to participate. The Chinese Government were themselves surprised by the oversight.

I felt it better in the circumstances to postpone my visit. It is, however, my intention to go to China and the Far East in October when I shall meet Chinese leaders. I want, however, to go with the full backing of the British Government. As you will appreciate, I go not just as a Director of the ICE Group, promoting this important project, but as an Ambassador for Britain. The project, and the large Chinese presence it will mean here in the UK., will be of enormous value to the promotion of Sino-British relations. It will also bring thousands of new jobs to the Docklands. I am hopeful, therefore, that the British Government will make it clear to China that they are fully supportive of the project and welcome the fact that London has been chosen for the Centre ahead of any other European capital.

It is important that the Chinese should know that the China Trade and Cultural Centre enjoys the support of the British Government. In this connection it would be helpful if you could let me have a letter giving that support.

NB ||

I believe you have entrusted China Trade matters principally to Lord Young and I am keen to get together with him so that he, too, can give his support. I hope you will have an opportunity to speak to him as a matter of urgency. I wanted, however, to bring the problem to your attention first, and secure your support. I

Cont/...



-2-

should like assurances of that support, as I have said, in a letter and in other ways: for instance, to know that the ICE Group will be included in all such official visits in the future.

We need assistance, too, in overcoming certain problems relating to the Docklands' project and the attached memorandum outlines what I have in mind on this. We would welcome not only Lord Young's co-operation and help, but also the help of the Secretary of State for Trade and Industry, Mr. Paul Channon. I was, as you will know, able to pursue certain related questions earlier with Mr. Leon Brittan when he was Secretary of State, and he was most helpful and supportive.

It is very important that the ICE Group are included in some way in the arrangements for British businessmen and their presence in China during the forthcoming visit of Her Majesty the Queen. I intend to be in China just before and during her visit and hope personally to be involved.

The China Trade Centre project will go ahead but for Britain's sake, it should have the support of all the parties concerned and most important, the backing of its own Government.

May I repeat once again, it is imperative that the British Government gives its support in view of the support already being given by the Chinese, who are excited by the prospect of a China Trade Centre in the heart of London.

It is important to note that the Centre came to this country because of the work your Government has done, and it is the wish of the Chairman of the Company, one of your firm supporters, that you should personally lay the foundation stone on completion of the project in 1990. I very much hope that you will feel able to accept in principle.

Wilson of Rievaulx

Wilson of Rievaulx



I.C.E. GROUP Plc

U.K. Headquarters

I.C.E. House, 553-579 Harrow Road London W10 4RH England. Tel:01-968 4567 TLX 896217

INTERNAL MEMORANDUM

To: The Rt. Hon. The Lord Wilson of Rievaulx
From: Roger Wilby, Chief Executive, ICE Group Plc
Date: 8th July 1986

The China Trade Centre development in the London Docklands is a joint venture between the ICE Group and the Tianjin Municipal Government of China. It has the complete endorsement of the Tianjin Municipal Government. We now need the following:-

- (1) Her Majesty's Government's assistance, through its development corporation, The London Docklands Development Corporation, in removing some of the very many hurdles the PRC are encountering in these early development stages. The LDDC has, for example, major inherent parking difficulties and since there is no absolute guarantee that the Light Railway will be extended into the Royal Docks an additional £10 mio is having to be built into the costings for the infrastructure for the Centre in order to counteract this imbalance. An urban development grant would be useful, but also a representation to the LDDC by the Prime Minister to make more land available for car parking would be enormously helpful as this has posed a major difficulty for all developers in the Docklands.
- (2) National and international exhibition and trade centres in the UK are paid for by national or local Government funds for the furtherance of trade. ICE and their Chinese partners in their joint venture here have to date received no such assistance.
- (3) There is enormous interest in the Chinese press and by Central Government officials in this major Sino-British joint venture - an estimated £135 mio scheme. In view of the likelihood of the subject being raised in the forthcoming visit in October, to avoid unnecessary embarrassment through lack of correct detailed information, would it be possible for one or two members of the ICE team to be included in the party?

*This may be a
reference to the party of businessmen
which Lord Yang hopes to take to China in October*

Cont/...

- (4) Any development in the London Docklands, as the Canary Wharf Development has recently proved, is subject to enormous inherent difficulties. Given that the ICE Group is also acting as the representative of China, and taking into consideration the great distance between China and the UK, our difficulties are greater still. We will therefore greatly appreciate the support of such bodies as the Sino British Trade Council and appropriate departments of her Majesty's Government and any other such bodies which can be of assistance.

It is obvious that trade with China over the next 20 years will represent a large proportion of overall world trade. Since the major part of European/China trade will be dealt with through the new China Trade Centre, the spin-off for Britain will be considerable. The China Trade Centre is a non-political venture aimed at benefit to all. It can only bring about a closer trading and cultural relationship between Britain and the PRC. As you know, the Chinese selected the Docklands site from a variety of European sites, none of which, because of European Government support being offered, would have presented them with such serious drawbacks. This centre represents employment prospects for 2,000 people. Furthermore, in the clearing of the site, we would be able to offer, for a limited period, employment for people within the Prime Minister's new 'Clean-up Britain' campaign.



.....
Roger Wilby, Chief Executive

PRIME MINISTER

After the meeting today with Lord Wilson, he handed the Garden Room Girl the papers attached. It describes precisely what what the ICE group want from the Government. Lord Wilson asks for a letter of support for the project. I do not think you need respond to that suggestion nor to the other points in this rather sad memorandum, save one.

This is that in the last paragraph of the memorandum Lord Wilson asks that you should accept in principle the invitation of the chairman of the company to lay the foundation stone on completion of the project in 1990.

Clearly you won't want to commit yourself to this project this far ahead. I therefore attach a polite, but non-committal letter for you to send to Lord Wilson.

Letter attached for signature.

*— see AM to Lord Wilson
9.7.86*

N.L.W.

N.L. Wicks

8 July 1986



10 DOWNING STREET

From the Principal Private Secretary

8 July, 1986.

Dear Brian,

PROPOSED CHINA TRADE CENTRE

Lord Wilson came to see the Prime Minister today, at his request, to discuss the proposed China trade centre. He brought with him Mr. Shashoua, Chairman of the ICE Group of Companies.

Lord Wilson said that he was going to China in October, and wanted the British Government's support for the Trade Centre project. Mr. Shashoua said that Lord Wilson had suffered some loss of face in the eyes of the Chinese because he had not been included in any of the functions for Mr. Hu Yaobang's visit. The Chinese were therefore wondering what was happening. Many West European countries had been keen to have the project themselves, but the ICE Group had convinced the Chinese that Britain was the centre of Europe. 2,000 jobs were involved. He sought the Government's support for the project.

The Prime Minister began by saying that Lord Wilson had only to ring No.10 to be included in any function for the Chinese. The Government were not in the business of giving financial support for this sort of project. The project was a matter for the LDDC. Mr. Shashoua then said that ICE needed help with Departments. The Prime Minister replied that the Government could not help in this sort of commercial matter, though Government Departments were always ready to do their best to answer questions.

After the meeting, Lord Wilson handed us the memorandum attached. It specifies precisely what ICE wants from the Government. The Prime Minister's meeting with Lord Wilson effectively overtakes the memorandum and she is not intending to reply to it other than to decline to give any commitment, even in principle, to lay the foundation stone

da

of the project in 1990. .

Departments should note that Mr. Shashoua appeared to want the Prime Minister to give some expression of Government support for the project. The Prime Minister studiously refrained from doing so during the meeting.

I am sending copies of this letter and its enclosure to Catherine Bradley (Department of Trade and Industry), Colin Budd (Foreign and Commonwealth Office), and John Turner (Department of Employment).

Nigel Wicks

(N.L. Wicks)

B.H. Leonard, Esq.,
Department of the Environment.



ccBGT

2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434

F

Stephen Ratcliffe Esq
Private Secretary to
The Rt Hon The Lord Young of Graffham
Department of Employment
Caxton House
Tothill Street
LONDON
SW1

My ref:
Your ref:

→ NW

3 July 1986

Dear Stephen,

I have seen a copy of your letter of 26 June to Michael Gilbertson about an approach by Lord Wilson to your Secretary of State, to discuss the proposed China Trade Centre in Docklands. This Department, as you will know, sponsors the London Docklands Development Corporation, with whom the Company are negotiating for a site for the proposed development. We recently supplied a briefing for No.10 for a meeting which the Prime Minister is to have with Lord Wilson on the subject. It includes a note from colleagues in Trade and Industry covering their interests.

WILL REQUEST IF REQUIRED

I enclose a copy which you may wish to draw upon in advising your Secretary of State. I am copying this letter to Michael Gilbertson in Paul Channon's office, to Robert Culshaw in Sir Geoffrey Howe's office and (without enclosures) to Nigel Wicks at No.10.

Yours sincerely,

Brian Leonard.

B H LEONARD
Private Secretary

PRIME MINISTER

MEETING WITH LORD WILSON ON TUESDAY 8 JULY ABOUT THE CHINA
TRADE CENTRE PROJECT

Lord Wilson has asked to see you (**Flag A**) about the China Trade and Cultural Centre in the London Docklands. DOE briefing is at **Flag B**.

Earlier Lord Wilson's office had sent you the material at **Flag C** which he wanted you to see before the visit of the Secretary General of the Chinese Central Committee, Mr. Hu Yaobang. This was immediately followed by the letter at **Flag D** from the Chairman of the project's company, Mr. Roger Shashoua, requesting a meeting with Mr. Hu Yaobang while he was in the UK. This did not take place.

N.L.W.

(NIGEL WICKS)

30 June 1986

DCA.27



N L Wicks Esq
Principal Private Secretary
10 Downing Street
LONDON
SW1

not CF. 13.
try
Chis?
not

2 MARSHAM STREET
LONDON SW1P 3EB
01-212 3434

My ref:

Your ref:

27 June 1986

Dear Nigel,

You requested advice on the letter from Lord Wilson in which he asks to see the Prime Minister to discuss the China Trade Centre project. The papers have come to us via Employment and Trade Industry (the latter have supplied an annex on the ICE Group and its work). I attach a background note which outlines the present position. In the light of that, our recommendation is that the Prime Minister should adopt a neutral line, particularly since the ICE Group may not be able to satisfy the London Docklands Development Corporation about the usual commercial requirements of funding and viability. Although the ICE Group were given a deadline of 30 June to demonstrate the viability of their proposals, LDDC will not expect this date to be met because the promoters are currently in China. It seems likely that LDDC will not make a decision, one way or the other, until August.

I suggest this as the line to take:

The Government is very keen to see the regeneration of Docklands through major development of all kinds. LDDC was set up to promote that regeneration. When it comes to individual sites, the responsibility lies with LDDC to negotiate commercially with potential developers. LDDC would be happy to see the scheme go ahead but they have to be satisfied about the commercial aspects of the deal. It would not be appropriate for Government to appear to favour one potential developer over the many others likely to be interested in this site.

Yours sincerely

Brian Leonard.

B H LEONARD
Private Secretary



PROPOSED CHINA TRADE CENTRE

NOTE BY THE DEPARTMENT OF THE ENVIRONMENT

Lord Wilson is a director of the ICE Group Limited, a British development and exhibitions company. The Group, together with the Tianjin Municipal Government are promoting proposals for a China Trade Centre which is envisaged as a £40m development including exhibition halls, a Chinese cultural centre and housing. They are currently negotiating with the London Docklands Development Corporation to site the development in Poplar Dock, a ten acre site in the Isle of Dogs Enterprise Zone, owned by the LDDC.

Other developers have made enquiries about the site but ICE have been given time to develop their proposals and demonstrate their viability before other offers are invited. The LDDC Board are sympathetic to the proposal but they need to be satisfied about the commercial details. ICE were given until 30 June to prove funding but LDDC do not intend to rigidly enforce this date.

The Department of the Environment does not normally intervene in the day to day negotiations between LDDC and potential developers. Lord Wilson met the then Secretary of State in March to discuss the proposals. Mr Baker made it clear that it would not be appropriate for Government to press the claims of one developer over another. The decision was for the LDDC. Unless there is some wider trading interest at stake (and we understand that FCO and DTI consider that there is not) we see no reason to intervene with LDDC, whose approach has been positive and constructive (as ICE have acknowledged).



NOTE BY THE DEPARTMENT OF TRADE AND INDUSTRY
ICE GROUP LIMITED ACTIVITIES IN CHINA

Promotional literature issued by the ICE Group Ltd describes the company as a British company promoting trade and technology transfer between Europe and China. Its principal activities include organising trade fairs in China, especially in Tianjin and Shenzhen. According to the company's accounts for the year ended 31 August 1984 (the latest available), turnover was £1.59 million and after-tax profits were £110,636. In more recent publicity material the company has claimed that profits in 1985 were £1.01 million on turnover of £1.78 million.

In August 1985 a 57% owned ICE subsidiary, China Engineering Industries Limited, acquired the share capital of Terry of Redditch Limited, an engineering company making springs and fasteners. The number of employees rose from 13 in 1984 to 110 in 1985, no doubt mainly as a result of the acquisition of Terry.

The Chairman, Roger Shashoua, is an Egyptian-born US citizen. The President, Howard Cohen, is also an American. Lord Wilson, a Director of ICE since January 1985, led a delegation from the company to China in May 1985, and met Premier Zhao Ziyang among others.

In May 1986 it was announced that ICE was joining with a French company headed by Baron Empain to set up a French-based operation, ICE France-Chine, to undertake activities similar to ICE's.

The Department of Trade and Industry is aware of the proposals from the ICE Group to establish a China Trade Centre in Docklands. DTI would regard any such proposal as a strictly commercial venture and sees no case, at least for the present, for considering an expression of Government "support" for the project. DTI is not aware of the basis for ICE's statement that the project has Chinese Government support.

Although ICE's brochure quotes a number of complimentary statements from companies about ICE's performance as exhibition organisers, we also know that a number of exhibitors have been extremely dissatisfied with ICE-organised trade fairs. On 25 July 1985 The Netherlands Embassy in Peking wrote to the China Council for the Promotion of International Trade stating that the Embassy would in future advise all Dutch companies against participating in any event in which ICE is involved.



Prime Minister

Agree to see him after
questions in the House?

June, 1986

N.L.W. 23.6.

My dear Prime Minister:

Yes not

As you will remember, I sent to you a week ago some material relating to a project for a China Trade and Cultural Centre in the London Docklands.

I am, as you know, a director of the ICE Group of Companies, which together with the Tienjin Municipal Government, are developing the project. It was not possible for us to meet Mr. Hu Yaobang when he was over here, though we would very much have liked to have had the opportunity of explaining to him a little more about the Centre, which I believe will do a very great deal to help the expansion of trade between Europe and China, and to act as a showcase for both Britain and China.

I should very much appreciate it if you could spare a little of your time to consider the project, as I am most anxious that it is seen to have the same backing of the British Government as it already has from the Chinese Government. It is particularly important in view of the forthcoming visit of Her Majesty the Queen to China in October.

I should like to be able to put this to you personally, if only briefly, though I realise only too well the limitations upon your time.

This is an exciting and prestigious project and in its European context will do much to give Britain a leading role in the continuing expansion of China Trade.

I am of course writing, too, to Lord Young as I understand that he has your special remit in these matters. I did earlier send him details of the Centre so that he had them before the visit of Mr. Yaobang.

With kind regards,

Yours,

(Harold) Wilson of Rievaulx

The Rt. Hon. Mrs. Margaret Thatcher, M.P.

Mr Wicks
to note.
CR.

CF.

I have asked
for briefing for
27.11(?) PC



House of Lords

NB it is here
at least a
day
before
N.

25 June, 1986

Dear Mrs. Ryder,

Lord Wilson has asked me
to confirm that he looks forward to
the meeting with the Prime Minister on
Tuesday 8 July, at 4.45 p.m. in her
room at the House of Commons.

Yours sincerely,

HP
Private Secretary

Mrs. CM Ryder,
10, Downing Street

82W



23 June 1986

I am writing to acknowledge your recent letter about the China Trade and Cultural Centre project in the London Docklands. I am drawing this to the Prime Minister's attention.

(N. L. WICKS)

The Right Honourable The Lord Wilson of Rievaulx
KG OBE FRS

Lord WILSON
27/6



SPW

10 DOWNING STREET

From the Principal Private Secretary

23 June 1986

I should be grateful if you could let me have urgent advice on the letter attached from Lord Wilson in which he asks to come to see the Prime Minister to discuss the China Trade and Cultural Centre project in the London Docklands.

I think that the Prime Minister will want to see Lord Wilson. Your advice might therefore take the form of a brief for the meeting. Please could you let me have the advice by this Friday.

I am sending a copy of this letter and enclosure to John Mogg (Department of Trade and Industry) and Tony Galsworthy (Foreign and Commonwealth Office).

(N. L. WICKS)

John Turner, Esq.,
Department of Employment.

Ramona
Phone chase
also please

6

MEETING
on Tues. 8 July.



I.C.E. GROUP Plc

U.K. Headquarters

I.C.E. House, 553-579 Harrow Road London W10 4RH England. Tel:01-968 4567 TLX 896217

6th June, 1986

The Rt. Hon. Margaret Thatcher PM,
The House of Commons,
London SW1A 0AA

Dear Prime Minister,

I understand that Lord Wilson of Rievaulx has been in touch with you in connection with the **China Trade Centre Europe** and the visit next week of Mr Hu Yaobang, General Secretary of the Central Committee of the Chinese Communist Party. I attach copies of my letters to the Rt. Hon. Sir Geoffrey Howe, His Excellency The Ambassador Hu Ding-Yi of the Embassy of the People's Republic of China and the Rt. Hon. The Lord Young of Swaffham.

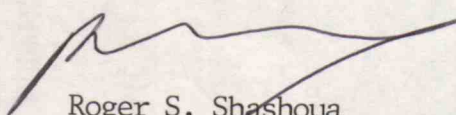
I do feel, most strongly, and Lord Wilson shares my concern that we should be given the opportunity of meeting with Mr Hu Yaobang in view of the massive investment involved in this project and the extent to which such a project would develop export trade between China and the United Kingdom.

I have been awarded and honoured twice in the People's Republic of China for my pioneering work over the past five years in China - especially for the establishment of the Tianjin International Trade and Exhibition Centre - a Sino-British joint venture with our group. I feel strongly that the British government should accord me the same courtesy in view of my achievements and in particular the China Trade Centre development which is beneficial to all concerned.

I know of your close interest in China and I am in full support of your government and our company is an exemplary product of your free enterprise philosophy which has allowed our group to accomplish so much in so short a time in China.

I very much hope that this misunderstanding may be rectified in time.

Yours sincerely,



Roger S. Shashoua
Chairman
THE ICE GROUP PLC



I.C.E. GROUP Ltd

U.K. Headquarters

I.C.E. House, 553-579 Harrow Road London W10 4RH England. Tel:01-968 4567 TLX 896217

6th June, 1986

His Excellency, The Ambassador Hu Ding-Yi,
THE EMBASSY OF THE PEOPLE'S REPUBLIC OF CHINA,
31 Portland Place,
London W1

Your Excellency,

I am certain that Lord Wilson of Rievaulx has already been in touch with you with regard to the visit next week of your General Secretary of the Central Committee, Mr Hu Yaobang. As you can appreciate - we would like the opportunity of meeting with Mr Hu and we would also like to show him, in person, what we are doing for China in the London Docklands.

The **China Trade Centre Europe** is an imaginative and exciting project that will do a very great deal to develop the export trade between our two countries. I am sure that Mr Hu would welcome the opportunity of learning more about this important project and I know that it has always been our wish and that of your own government that Sino-British trade should involve not only the large UK companies, but also the thousands of small and medium sized companies that the **China Trade Centre Europe** represents.

I understand that Mr Hu will be taking a rivertrip next week during which he will pass the docklands site of our trade centre and I would like to suggest that this would be a splendid opportunity for him to learn, first hand, of what we are planning there. Our people could meet him - even briefly - at the docklands end of the trip and show him the site. Whilst I realise that it is late for another item to be added to Mr Hu's itinerary, unfortunately we have not been included in any other functions organised by the Foreign Office so we do feel it is important that we meet Mr Hu on this occasion.

In view of the very hard work that has gone into the **China Trade Centre Europe** not counting the five years of pioneering investment in China and now a massive investment of over £100 million in the proposed London based centre I look forward to your kind consideration of the above

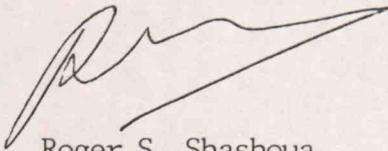
Cont/....

proposal.

You should also be aware that I have also today written to the Secretary of State for Foreign Affairs, The Rt. Hon. Sir Geoffrey Howe and the Prime Minister, The Rt. Hon. Margaret Thatcher P.M.

I look forward to hearing from you.

Respectfully yours,

A handwritten signature in black ink, appearing to be 'R. Shashoua', with a long, sweeping horizontal stroke extending to the right.

Roger S. Shashoua
Chairman
THE ICE GROUP LTD



I.C.E. GROUP Plc

U.K. Headquarters

I.C.E. House, 553-579 Harrow Road London W10 4RH England. Tel:01-968 4567 TLX 896217

6th June, 1986

The Rt. Hon. The Lord Young of Swaffham,
The House of Lords,
London SW1A 0AA

Dear Lord Young,

I wanted you to see copies of the letters I have written to the Prime Minister, the Rt. Hon. Margaret Thatcher, the Secretary of State for Foreign Affairs, The Rt. Hon. Sir Geoffrey Howe and His Excellency, The Ambassador, Hu Ding-Yi of the Embassy of the People's Republic of China - which I duly attach and which I think are self explanatory.

I know of your close interest in China and I am in full support of your efforts towards the development of Sino-British trade, however I do feel most strongly and Lord Wilson shares my concern, that we be given an opportunity to meet Mr Hu Yaobang, General Secretary of the Central Committee of the Chinese Communist Party in view of our pioneering work in China, our achievement awards and the massive investment of over £100 million that has been put into the Docklands development. You will also appreciate the extent to which this project will develop export trade between China and the UK.

I do hope that this misunderstanding can be rectified in time.

Yours sincerely,

Roger S. Shashoua
Chairman
THE ICE GROUP PLC

Enc./.....



I.C.E. GROUP Plc

U.K. Headquarters

I.C.E. House, 553-579 Harrow Road London W10 4RH England. Tel:01-968 4567 TLX 896217

Ref: RSS/HCW

6th June 1986

The Rt. Hon. Sir Geoffrey Howe,
Secretary of State for Foreign Affairs,
HOUSE OF COMMONS,
London SW1A 0AA

Dear Sir Geoffrey,

Lord Wilson of Rievaulx has asked me to write to you following the letter he sent to you and in connection with the visit next week of Mr. Hu Yaobang, General Secretary of the Central Committee of the Chinese Communist Party.

As you will know the ICE GROUP PLC. are the British Joint Venture partner, together with the Tianjin Municipal Government of the proposed **CHINA TRADE CENTRE EUROPE** which is to be built in the London Docklands.

I think it would be helpful if I enclosed a copy of my letter to His Excellency, the Ambassador Hu Ding-Yi of the Embassy of the People's Republic of China concerning Mr. Hu Yaobang's visit. Together with Lord Wilson I feel very strongly that it is important that the ICE GROUP PLC. has the opportunity of meeting with Mr. Hu Yaobang whilst he is here. You will see from my letter that I have suggested that an addition be made to the itinerary of the Secretary General involving a brief stopover at the Dockland's end of his river trip. We would then be able to meet with him and show him the site of the Centre and describe our plans for this very exciting development.

I realise that it is late for such an addition to Mr. Hu Yaobang's schedule but nevertheless if this is not possible I do hope that the ICE GROUP PLC. will be given a chance to meet with Mr. Hu Yaobang at some point during his visit.

May I finally draw your attention to the fact that the **CHINA TRADE CENTRE EUROPE** involves an investment of some £100 million and will do a very great deal towards developing the export trade between Britain and China. In view of this I look forward to your kind consideration of my proposal.

Yours sincerely,

Roger S. Shashoua
Chairman
THE ICE GROUP PLC.

Enc.



CHINA
EUROPE
TRADE CENTRE
LONDON DOCKLANDS



**A Development of a Chinese
Business Centre and Cultural City**

26 March 1986



London Docklands
Development Corporation
Dockmaster's House
West India Dock Road
London E14 8JJ
Telephone 01-515 3000
Telex 894041 LDDCG
Telecopier 01-987 7070
With Compliments

Mr Zhang Zhaoruo
Deputy Secretary General
Tianjin Municipal People's Government &
Director of Tianjin Commission of Foreign
Economic Relations & Trade
Tianjin
China

Dear Mr Zhaoruo

CHINA TRADE CENTRE - POPLAR DOCK

We wish to stress that the Board's decision was based on the importance of such a great and imaginative project, the first of its kind in Europe, and the contribution that it would make to better relations between the United Kingdom and the People's Republic of China.

We appreciate the hard work and determination of the ICE Group and look forward to working with you on this important project.

Yours sincerely

Peter Hadley
Sales & Marketing Director

* To be read in conjunction with 'Letter of Comfort' dated March 25.

Delegation from Tianjin Municipal
Government led by Zhang Zhaoruo,
Secretary General of Tianjin Municipal People's
Government and Director of Tianjin Commission of Foreign
Economic Relations and Trade, visit the site for China's first Trade
Centre for Europe in the London Docklands, December 1985.

TELEX

MR REG WARD - EXECUTIVE DIRECTOR
MR PETER HADLEY - MARKETING DIRECTOR
LONDON DOCKLANDS DEVELOPMENT CORPORATION

REF: CHINA TRADE INTERNATIONAL CENTER (DOCKLANDS)

WE HAVE MET MR ROGER SHASHOVA, CHAIRMAN OF ICE GROUP AND ARE PLEASED THAT YOU HAVE ACCEPTED OUR JOINT OFFER THROUGH THE ICE GROUP AS PER YOUR LETTER.

THE JOINT VENTURE WITH THE ICE GROUP ENJOYS OUR FULL SUPPORT AND THAT OF THE TIANJIN INTERNATIONAL INVESTMENT AND TRUST CORPORATION AND CHINA COUNCIL FOR THE PROMOTION OF INTERNATIONAL TRADE, TIANJIN SUB-COUNCIL SO WE ARE CONFIDENT OF THE SUCCESSFUL COMPLETION OF THIS IMPORTANT PROJECT THAT WILL CONTRIBUTE TO THE LONG TERM INTEREST AND BETTER RELATIONS BETWEEN ENGLAND AND CHINA.
BEST REGARDS
ZHANG ZHAORUO
VICE SECTION GENERAL OF TIANJIN MUNICIPAL PEOPLE'S GOVERNMENT
DIRECTOR OF FOREIGN AND ECONOMIC RELATIONS COMMISSION

TELEX



CHINA'S SHOWCASE TO THE WEST

The CHINA EUROPE TRADE CENTRE has been created through consultation with Chinese and western planners to simplify and encourage east-west

trade and to provide the world for the first time with a market place to meet and transact business with Chinese officials and representative offices and those overseas Chinese living and working in Europe. Some 2000 leading Chinese exporters and importers will occupy 1000 showrooms and 1700 display booths. A magnificent exhibition complex will allow decision makers to meet and mingle at any of 12 trade shows held annually. The location will save travelling time and money for the Western businessman - a meeting ground at the hub of Western business. For Chinese exporters and buyers it creates a vital base; a much needed showcase onto the West and a China window to the world.

■ PHENOMENAL GROWTH

Five years after the launch of China's much publicised 'Open Door Policy' and fuelled by leader Deng Xiaoping's economic reforms and insatiable consumer demand - China's industry is rocketing. The reforms - hailed by the Financial Times as being

†"more far reaching than anything yet attempted in the communist world" called basically for the **"invigoration of the domestic economy, the opening up of China to the outside world and the quadrupling of industrial and agricultural

output by the year 2000 - an increase from 710 billion Yuan in 1980 to 2,800 billion Yuan in the year 2000".

■ AMBITIOUS GOALS

Subsequent figures have shown that such goals, although ambitious, are not unachievable:

**"of 65 main projects included in the 6th Five Year Plan (1981-85) 43 of them had reached the 1985 target ahead of schedule and the total value of the country's import/export trade in 1984 was 120.1 billion Yuan." From 1979 to 1984 the amount of various forms of foreign investment used totalled 17.26 billion US dollars - contracts totalled 15 billion US dollars.

■ WESTERN INPUT

The percentage input in terms of western know-how, technology, training and equipment required to promote such radical expansion has been great.

The Chinese leadership has been correspondingly quick to appreciate the benefits derived from previous imports as well as to realise the irreplaceable need for increased cooperation in the future:-

**"the advanced technology imported from abroad is already bringing clearly discernable benefits to our country's development."

■ FUTURE PLANS

China's plans for the future focus on the boosting and 'rational adjustment' of her key industries. Accelerated development is looked for in such areas as: commerce,



Lord Wilson, Director of ICE Group meets with Premier Zhao Ziyang, May 1985 in Beijing during a tour of China organised by ICE.

services, tourism, transportation, communications, construction, machinery and electronics. Higher wages, the new independence allowed to factories, the ability to reap profits and the overall loosening of control are all expected to raise output. At the same time China is determined to close the technology gap further, thus improving its export potential.

■ FUNDING

Finance for such plans will continue to be large scale - recent fears of cut-backs fail to take into account the Chinese government's determination to allocate her hard earned foreign currency more prudently than in earlier years. Chinese buyers have now learnt to 'shop around' much more for the right deal and to look more towards Joint Ventures countertrade deals and increased exports to combat the drain on her reserves.

■ INTERNATIONAL TRADE

Such success as has been achieved to date has, at the same time, fired Chinese enthusiasm towards a far greater share of international trade. However, the relative inexperience of Chinese exporters and importers in the international market place

- in terms of marketing ability, distribution, knowledge and networks - has not only slowed down trade in general but has also increasingly forced them to rely on the traditional values.

Trade is consequently more and more dependent on the adoption of a more aggressive approach to marketing, either through the encouragement of trade through especially endowed Zones and Cities or by the establishment of Trade Centres in the heart of their largest potential markets.

■ CHINA: ONE COUNTRY, TWO SYSTEMS

Within this century the Chinese themselves predict that China will have completed the shift from a relatively rigid semi-closed economy towards one that is flexible and entirely open. "China will throw open wider her doors to the world and the policy of 'one country, two systems' will add new colour to China's reforms".

†Source: Financial Times 29th October 1984 *Chinese edition Scientific American



A UNIQUE CONCEPT

The China Europe Trade Centre on the London Poplar Dock site combines two main activities in a unique concept, providing a Sino-European show case to the world.

The first is to establish a Trade Exhibition and Trade Centre Office Complex as a point of contact between modern China and its European trading partners.

The second is the creation of a commercial, shopping and residential complex which brings the atmosphere and interest of traditional Chinese business life and architecture to the London Docklands, providing an opportunity to enjoy something different in shopping and leisure activities.

ATTRACTIVE LANDSCAPE

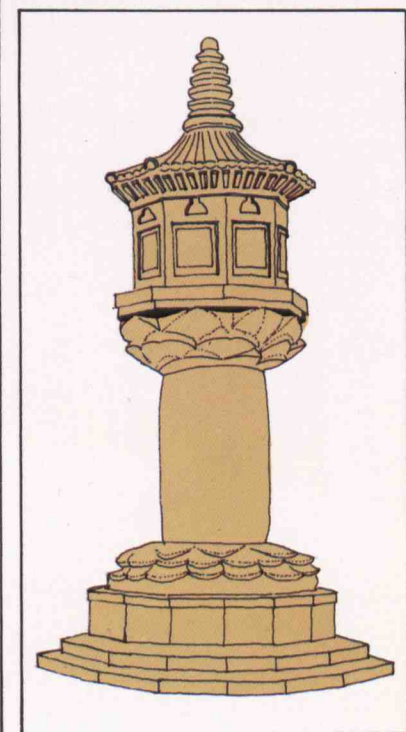
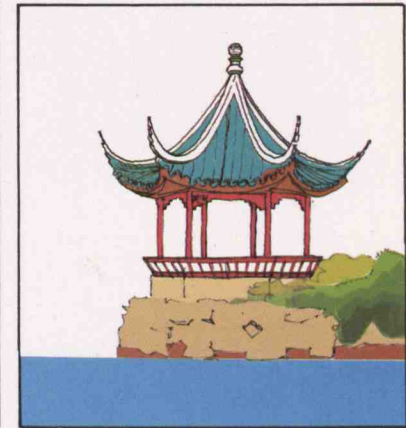
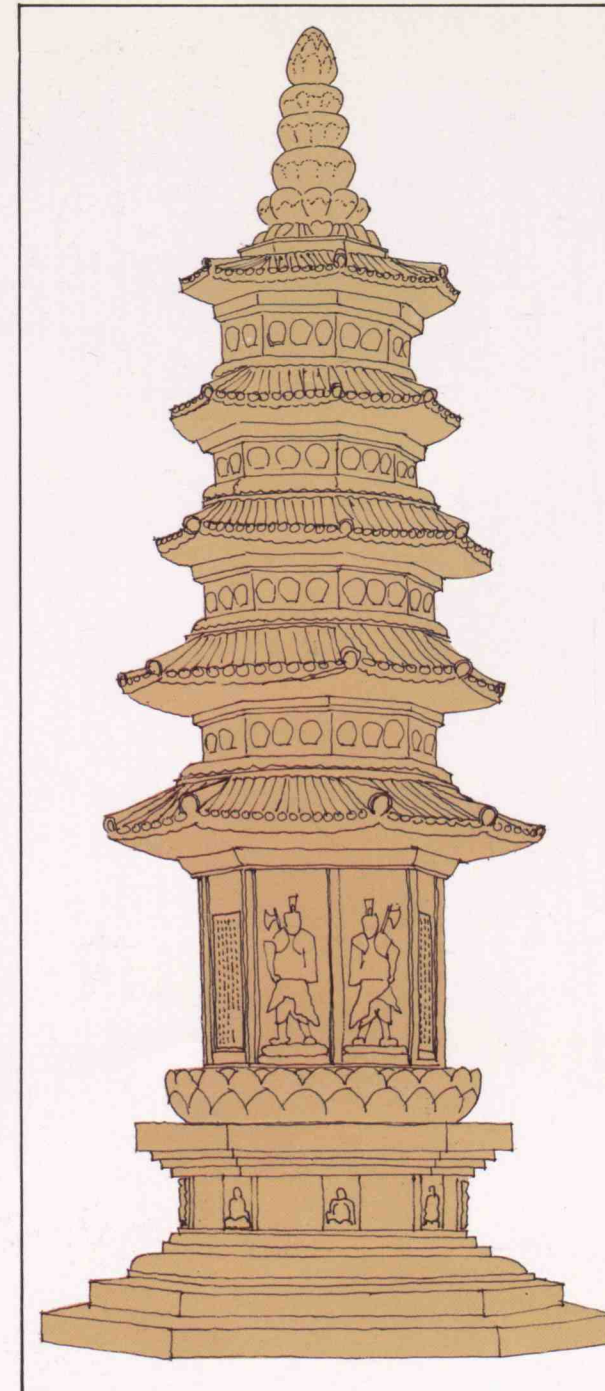
The China Europe Trade Centre has been designed as a unique experience for the visitor, combining the waterscape of London's docklands with the excitement of the Far East. The architecture on the site conjures up images of China, both old and new, whilst the landscaped setting expresses the detail, colour, and vitality of an urban Chinese scene.

The Chinese City will be an oasis of Chinese culture located in the heart of London Docklands. The site will be a

landmark, surrounded by a Chinese Wall, capped by decorative clay tiles, and punctured by imposing gateways framing the views inside. Large trees planted next to the wall will overtop the tiled roof, as if to suggest the hidden treasures of a palace garden within the site.

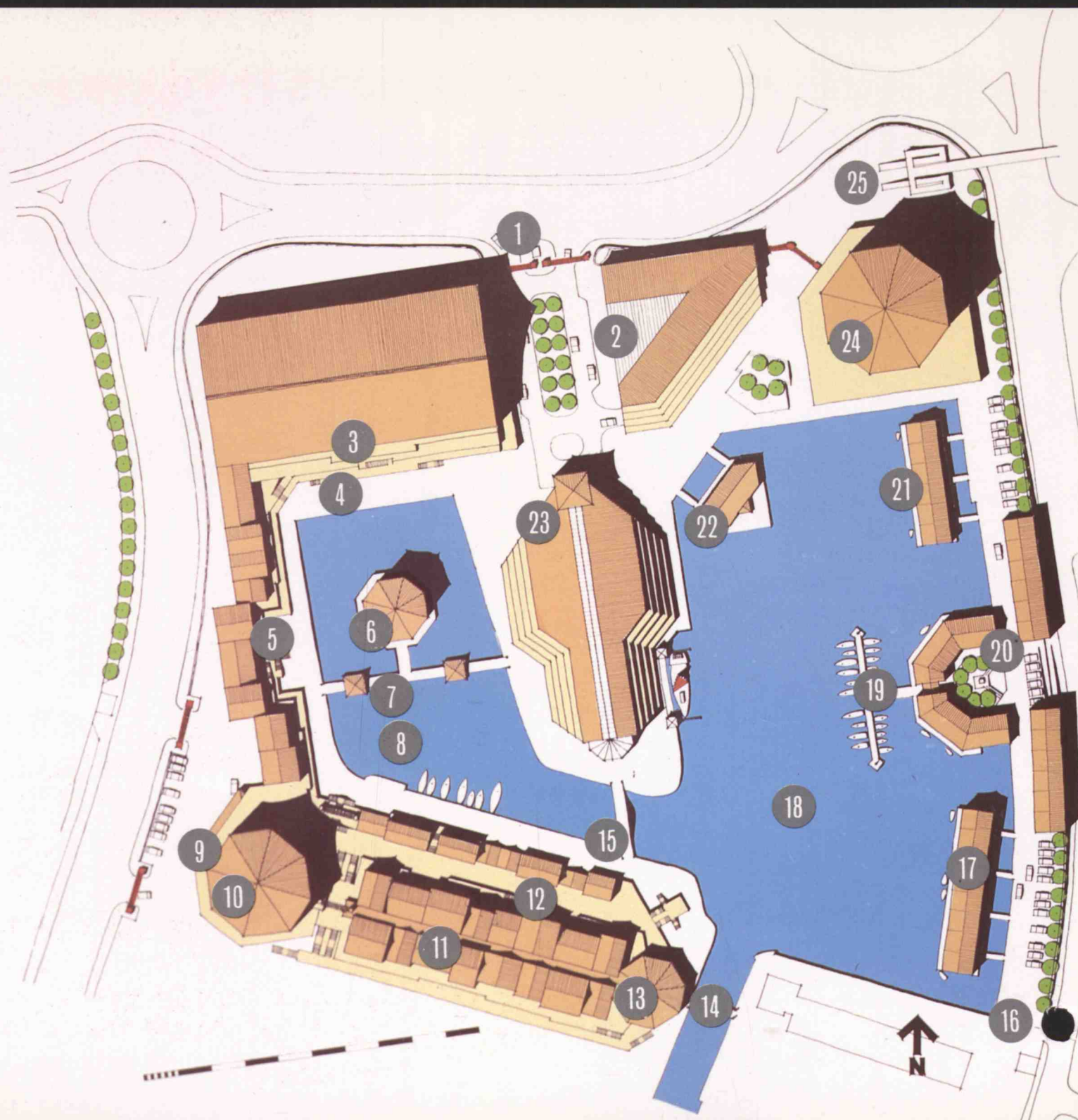
Once through the gateway the visitor is confronted by a series of evolving vistas encapsulating the character of China. Stone warrior figures, vividly coloured dragons, and ornate archways serve as focal points through a succession of linked spaces.

The Chinese City is the activity node of the development. The intricate detail of the Pagoda, surrounded by water and approached by an elaborate Chinese Bridge, provides an unforgettable image. The waterside treatment is especially important as a setting for China City. A series of timber decked platforms, enclosed by distinctive Chinese pattern balustrades, terraces the dockland edge down to the water line. Planting at this level is achieved using water loving alder trees in floating pontoons, softening the hard edge of the dockside. Elsewhere, Chinese Lanterns, Chinese character signs, and the vividly colourful decoration of building facades and roofs will provide an exciting backdrop to the bustle of visitors, all enjoying a unique Chinese experience.



SITE PLAN

1. Main Entrance (Chinese arches)
2. Trade Centre Offices
3. Multi-purpose Exhibition Hall
4. Emporium
5. China City
6. Cultural Centre
7. Pedestrian Bridge
8. New Basin
9. Hotel Entrance
10. Hotel
11. Apartotel
12. Chinese Street
13. Restaurant Court
14. Openable bridge
15. Openable bridge
16. Residential Entrance
17. 'Floating' housing
18. Old Basin
19. Marina
20. Residential
21. 'Floating' housing
22. Wine Bar
23. Shop and Office Plaza
24. Office Tower
25. Pedestrian Bridge from L.D.L.R.



MARRIAGE BETWEEN EAST & WEST –

THE CHINA TRADE CENTRE AND CULTURAL CITY

Chinese and western planners have worked on the concept of the China Europe Trade Centre for the past two years. The site in the London Docklands was chosen after considering other locations in France and Germany and the final decision to build in Great Britain represents a major step forward in the development of Sino-British trade.

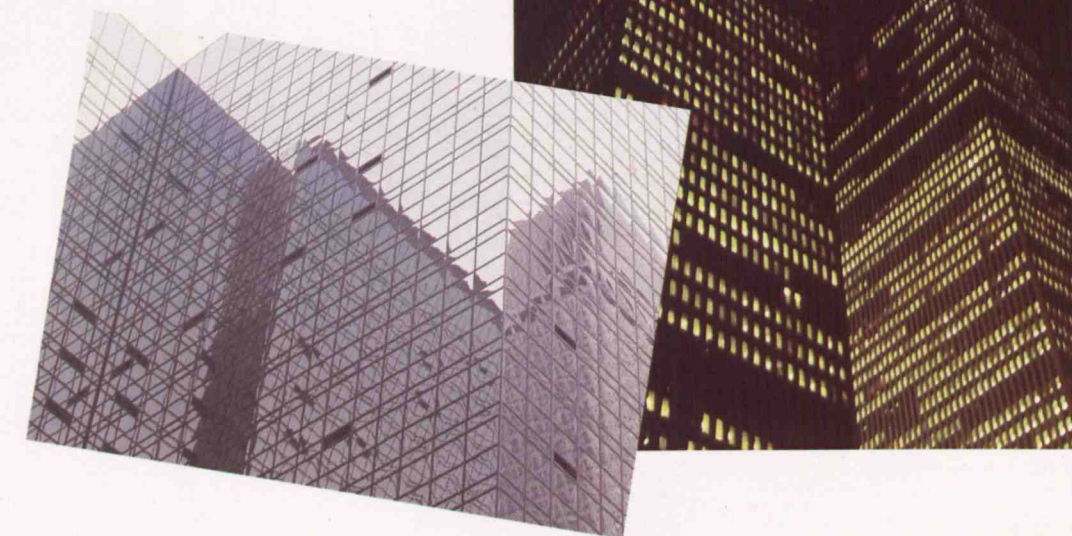
The theme of 'Where East Meets West' will be incorporated into all stages of the design of the complex – carefully integrating classic Chinese design features, with carefully chosen tiles, glass, brick and distinctive oriental features, and ultra-modern, world-class buildings constructed to the highest architectural standards.

The central point of the development – which will include every convenience required by the modern businessman – will be the construction of an international exhibition hall complex, a permanent Chinese exhibition centre, a 200 room hotel and supporting office and conference facilities. The development will also include reconstructed Chinese streets, shops and restaurants, waterfront housing and a marina and leisure facilities. A Chinese museum and cultural centre will be housed in a traditional pagoda and a large Chinese emporium will display an unprecedented range of Chinese imports: all aspects which contribute to the

atmosphere of a 'China City'.

The China Europe Trade Centre will become a focal point for those engaged in trade between Europe and China – providing the Chinese with a vital European base and Europe with her first display case for Chinese consumer goods and technology.

Panoramic views of the magnificent quays and waterfronts of the Docklands Development – the most exciting inner city development of the 1980s in Europe – will naturally become an important feature of the design.



THE EXHIBITION HALLS AND EMPORIUM BUILDING

Some 3000 square metres of trade exhibition are provided with column free spaces for full flexibility. These halls are sub-divisible for specialist exhibitions and have catering facilities linked to them. Well designed access facilities for exhibits are provided and a full range of services are available for the exhibitors' stands.

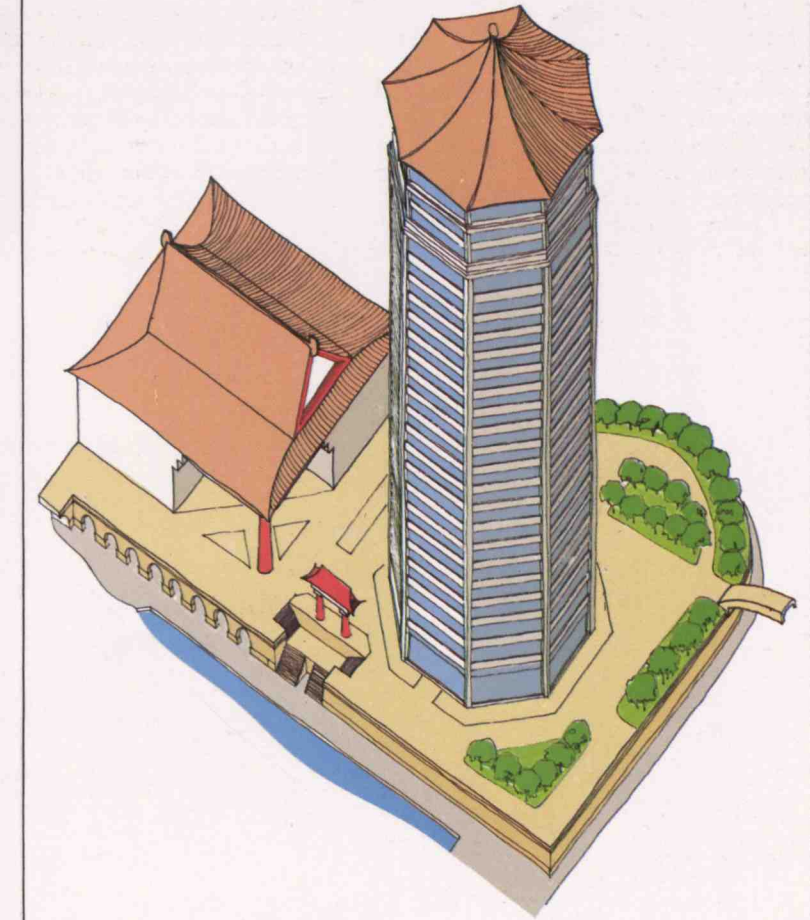
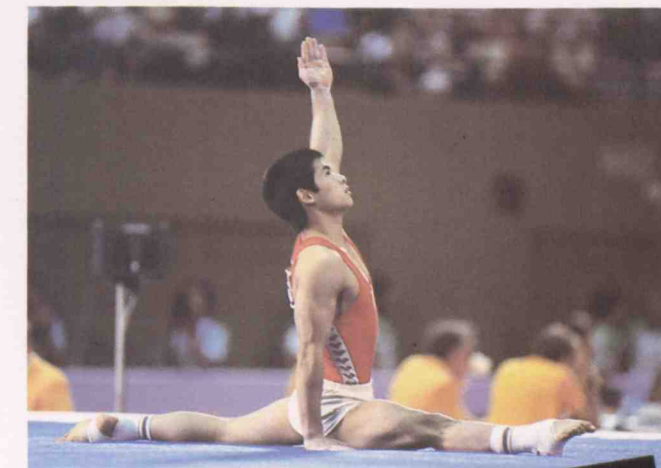
During periods when no exhibitions are held, the halls can become an arena for

specially arranged events from China, such as Chinese Opera and Acrobatic Troupes. The multi-purpose facilities will also allow the hall to be used for sporting events with preference being given to those sports traditionally enjoyed by the Chinese: badminton, volleyball, gymnastics etc.

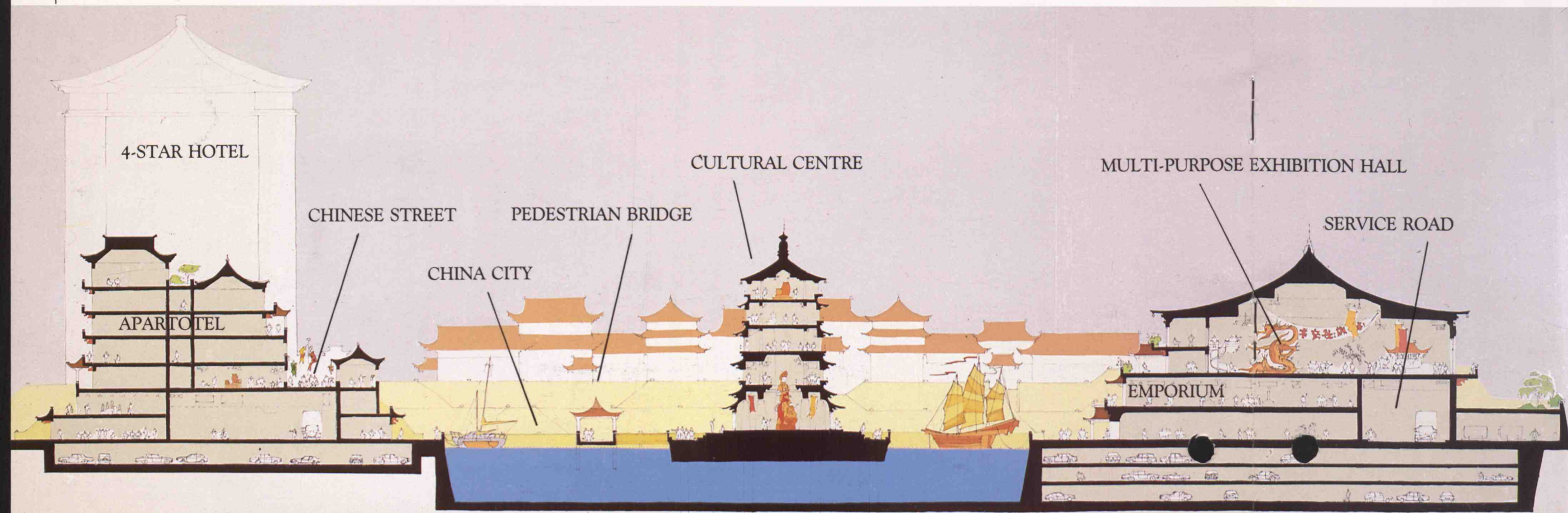
Below the exhibition halls are two floors of the Chinese Emporium. This provides a showcase for a vast variety of

Chinese products and consumer goods for sale to visitors. This will give shoppers a taste of the enormous scope and value of the products of modern China.

The Emporium has terraces at each level which provide views over the West or New Dock and the unique design of "China City".



Office tower seen from Old Basin



A CHINESE BUSINESS CENTRE & CULTURAL CITY

A MANY-FACETED COMPLEX

THE TOWER BUILDING

At the North East corner of the Old Dock stands the Tower Building. This is near to the main traffic interchange giving access from and to the Docklands Zone and acts as a marker point to the whole area. It is also near to the proposed Docklands Light Railway Station.

The Tower consists of a podium at low level which can cater for Dealing Rooms and large open plan office areas. Above the podium rises an octagonal office building of twenty floors which provides the highest

Chinese engineer working with British colleague on gas turbine equipment supplied by Rolls-Royce for the Daqing oil field.

level of technical services for offices.

Above the offices are five further floors of deluxe apartments. These will enjoy the most spectacular views over London and provide transatlantic standards of space and equipment.

Car parking for the offices and apartments are located at basement level.

HOTEL

Visitors to the complex are catered for by a separate Hotel in the 3/4 Star class. In keeping with the European links of the Centre, the hotel will be operated by one of the most important European hotel organisations.

The hotel will have all the usual facilities of a first class modern hotel geared to satisfying the needs of today's business executives such as bars, restaurants and swimming pool. Car parking will also be provided at low level.

The hotel will be 12 stories high and its form will reflect traditional Chinese architecture. It will act as the South Western gateway to the site.

From its location overlooking the Blackwall Basin, the hotel will enjoy spectacular views over the Docklands, and in particular Canary Wharf.

APARTOTEL

This is a unique solution to a problem which is well recognised by Trade Exhibitors. In order to contain costs of accommodation for staff attending exhibitions, this building will provide a mixture of various sized apartments for short and medium stay visitors. The apartments will be sold on a Time Share basis and when not used by their owners, they will be let out in conjunction with the nearby hotel.

The apartments will range from studio rooms up to two and three bedroom apartments. They can be used as bases for businessmen and will have full office services provided for telex and telephone facilities. Room service will be provided,

although each will have its own kitchen en suite.

The five floor apartotel building is located on the Southern part of the site and will enjoy spectacular views over the Blackwall Basin and over China City.

On the ground floor there will be access to the terraces surrounding the New Dock and will also contain leisure facilities such as bars, restaurants, sports club and sauna. Car parking for residents and visitors are at basement level.

At the Eastern end of the building and linked by an ornamental bridge to the Food Hall will be a Restaurant Court. This will provide a series of restaurants each serving regional cooking specialities. The Restaurant Court will have views over the large area of the Old Dock and also have terraces overlooking Blackwall Basin. A unique location for unique cuisine.

CHINA TRADE CENTRE

The Trade Centre consists of office and commercial space for use by major trading organisations dealing with China and for Chinese organisations who will provide on the spot services for businessmen wishing to trade with China.

The Trade Centre is linked by a covered bridge to the Exhibition Halls. The Trade Centre will house banks, airlines and offices, import and export agencies, travel agencies and a major communications centre. The proposed communications centre will provide direct telecommunications links with China and provide telex, teleconference, Facsimile transmission and telephone links by satellite.

The offices will provide flexible and highly serviced space available in suites of various sizes.

The Trade Centre will enjoy spectacular views over the Old Dock with its marina facilities and wide sweep of water.

Car Parking is available in underground car parks.

CHINA CITY

The Chinese cultural streets, similar to those reconstructed in Shanghai and Tianjin, will consist largely of shops ranged around the New Dock. They will have traditional roofscapes, use genuine Chinese designed facades and decoration. The shop fronts will have the traditionally covered Chinese screens and balconies decorated in the glowing and exotic colours of a Chinese street. Shopping will be at two levels with terraces for visitors overlooking the New Dock, which will be transformed into an ornamental lake with decorative bridges and a Chinese Cultural Centre on an artificial island.

Above the shops will be a further two floors of accommodation for either commercial or residential use. This will ensure that activity continues after hours in these areas.

Modern construction and car parking and servicing for the retail outlets will ensure a high standard of development.

CHINA FOOD HALL

Located centrally on the site is a special complex concentrating on Chinese Food sales. This is modelled on the famous Tianjin Food Halls.

Large glass roofed arcades bisect the building and provide galleried access to speciality Chinese Food shops and wholesalers.

The building has a terraced form to give views over both Docks and provide spaces for cafés and restaurants offering 'al fresco' dining.

The Food Hall brings together under one roof an opportunity to see and sample the vast variety of Chinese food from all the various regions of China.

Offices for rental will form the upper part of the building and will be ideal for specialist traders.

THE RESIDENTIAL COMPLEX

Along the Eastern side of the Old Dock, a series of buildings combining offices, workshops and residential accommodation are located.

Most of these buildings will be built out over the dock and will have mooring facilities for boats. The apartments will have views over the dock and the marina facilities.

The residential development will provide a link to Prestons Road and the surrounding area.

Dynasty wine being produced in China as part of a Sino-French Joint Venture with Remy Martin.



LONDON DOCKLANDS

The regeneration of London's Docklands is the most exciting inner city development of the 1980s in Europe. Docklands cover a total area of 20 square kilometers (8 square miles) lying just 10 minutes east of the City of London.

The London Docklands Development Corporation was established in 1981 to plan and oversee the economic and social regeneration of the area following the decline of the traditional dock-side industries and the growth of modern cargo handling at the coastal ports.

This part of London is distinguished by impressive water frontage sites to the Thames and the former docks, and each locality is being planned to exploit the unique environment and character. The Corporation is keen to develop the historic trading links with China trade, once such an important feature in Limehouse.

The present population of Docklands is 55,000 and this figure is expected to double during the next few years. Many attractive residential developments are already under way and major new transport systems are being developed to make Docklands one of the most accessible locations in South-East England.

Over 4 million square feet of new commercial and industrial development is under way or committed, attracting companies from the media, high-tech and financial services industries. Plans have been announced for a 10 million square foot banking centre on Canary Wharf to meet international trading needs and a range of exciting proposals are being studied for the Royal Docks to coincide with the building of new motorway access

roads and a further bridge spanning the River Thames.

London Docklands is becoming a recognised commercial office centre and an exceptional place for leisure and tourism. £1 billion has already been invested by the private sector and the Isle of Dogs Enterprise Zone is nearly fully committed. The London Docklands Development Corporation is continuing its programme

of infrastructure and communication development eastwards, opening up still further opportunities for international real estate investment. The Corporation is both a major land owner and the statutory Planning Authority and its development team is on hand to advise and assist developers, investors and those joining the new business and residential community in the "Water City of the 21st Century".



AN IDEAL LOCATION

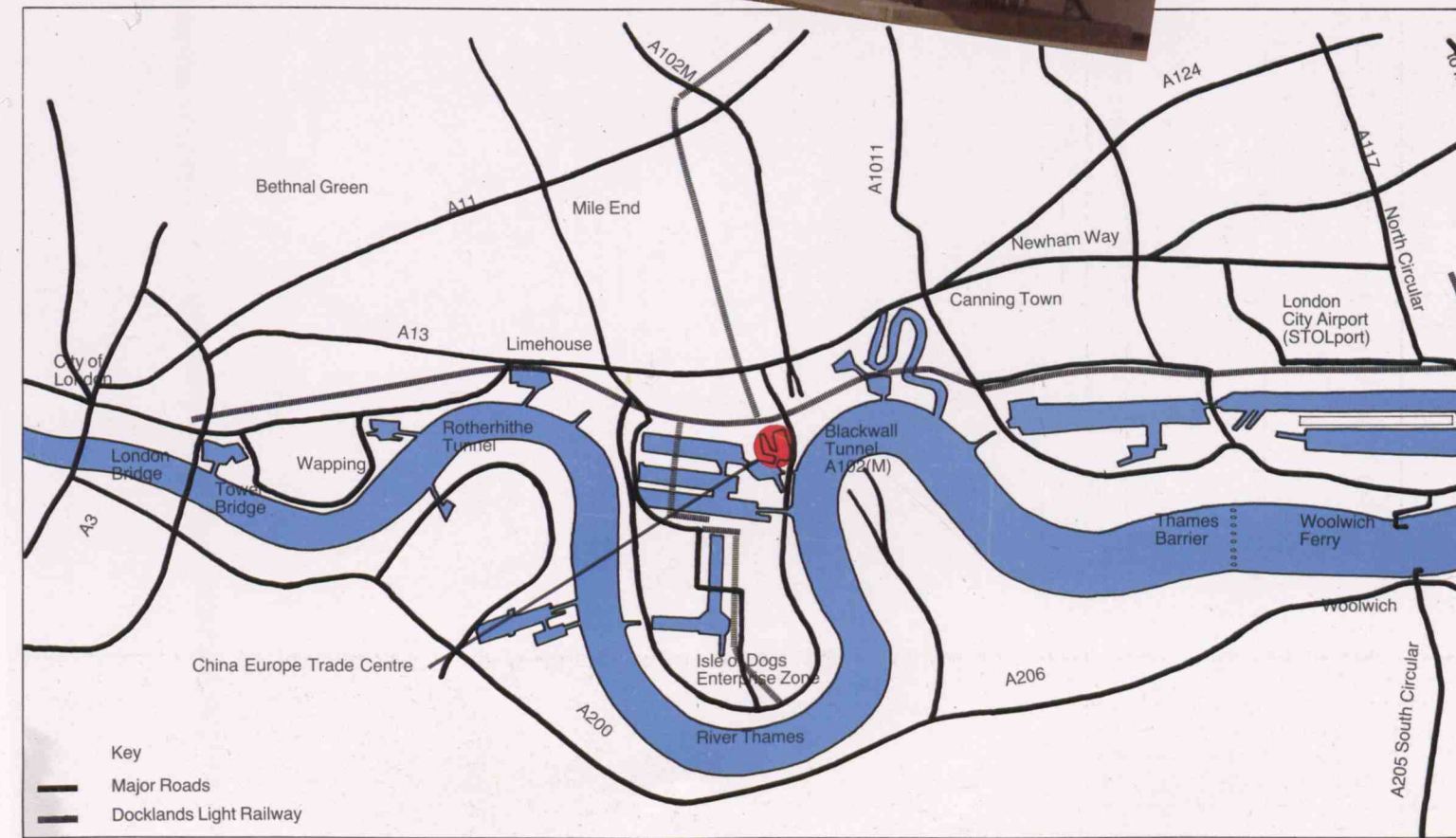
The London Docklands Development lies next to the main centre of British commercial and financial activity – the City of London and is only twenty minutes from Whitehall and the primary seats of government. It is in the prosperous South East of England where 30% of the UK population live. Gross Domestic Product per head in the South East is 15% (London 25%) above the national average.

Transportation links are excellent. Docklands lies within London's extensive transport system; accessible to the UK's main line railway terminii; within a few miles of Tilbury, the port principally used by Chinese exporters. In addition the London City STOLport (short take-off and landing) will be operational as a Gateway to Europe in 1987. Easy access to three international airports offers exceptionally good links with all parts of the UK, Europe and the major cities of the world

The first phase construction of the Docklands Light Railway will be completed in 1987, and there will be a station situated within three minutes walk of the China City. Detailed plans are being made for new high speed river bus services on the Thames.

Modern business telecommunications link Docklands to the national and international networks. Both British Telecom and Mercury Communications have established Earth Satellite stations with high grade fibre optic links.

Traditionally a place of excitement and opportunity where the great trading ships sailed through the River Thames from all corners of the world, this area of London is distinguished by large expanses of water and extensive frontages to the Thames.



'SAILOR TOWN'

THE CHINATOWN OF LIMEHOUSE

The original Chinese settlement in London began in Limehouse. The great trading ships, bringing their cargoes of tea from China, first docked here in the 18th century and London's first 'Chinatown' was born amongst the wharves and sail lofts of the London dockyards.

Sailors from all over the world thronged the quaysides, drank in the waterfront public houses and lodged in the many seamen's hostels of the overcrowded streets of Limehouse. The area began to take on an increasing Chinese flavour as Chinese sailors – waiting to rejoin their ships for the return passage to Canton or Shanghai – would decide to 'jump ship' in Limehouse and take up work in the bustling shore life that began to take shape around the numerous Chinese restaurants, clubs, laundries, emporiums and curio shops of London's infant Chinese community.

In 1926 the collapse of the Chinese community in Limehouse began. The decline of the shipyards made work hard to find and even the Chinese Laundries which had formerly flourished were now replaced by steam laundries. Riots in the 1900s by British sailors against Chinese sailors signing onto British vessels as crewmembers forced the ship's masters of the dockyards to take on only European crews. During the second world war Limehouse was heavily bombed and since the Chinese community refused to be evacuated they suffered severe loss. By 1951 there were only fifty Chinese families left in Limehouse. In the 1950s and 1960s an influx of Hong Kong Chinese settled in

London's West End founding the new and flourishing dynasty of the Soho Chinatown which still exists today.

The legacy left to Limehouse of the Chinese presence can still be seen in the occasional faded Chinese lettering over long deserted shop doorways and the street names: Pekin Street, Amoy Place and Oriental Street echo the past.

The best known legacy however is the collection of world famous Chinese restaurants that still exist in Limehouse. Established originally as cheap eating houses for Chinese sailors, the excellence of their cuisine made them famous throughout London in the 1920s, and they were then frequented by travellers and celebrities from all over the world: The Good Friends Restaurant, The Young Friends and the Old Friends are the best known.

The CHINA EUROPE TRADE CENTRE built in the heart of the old docklands of London will replace the old Limehouse 'Sailor Town' with a new and exciting 'China City'. The wheel will have come a full circle and once again the China traders will return to the deserted wharves and waterfronts of London's original Chinatown.



Developers:



I.C.E. GROUP plc

Architects &
Planning Consultants:
**PERCY THOMAS
PARTNERSHIP**

Chartered Surveyors &
Development Consultants:

**DEBENHAM
TEWSON &
CHINNOCKS**

Landscape Architects:
**PERCY THOMAS
PARTNERSHIP**
Landscape

Consulting Civil &
Structural Engineers:



ANTHONY HUNT
ASSOCIATES

Quantity Surveyor:

**EDMOND
SHIPWAY
& PARTNERS**

Solicitors:
**WRIGHT WEBB
SYRETT**



CHINA

EUROPE

TRADE CENTRE

LONDON DOCKLANDS

For further details please contact
ICE Group Plc
553-579 Harrow Road London W10 4RH
Tel: 01 968 4567. Telex: 896217



10 DOWNING STREET

From the Principal Private Secretary

5 June 1986

I hope that you will thank Lord Wilson for his kind thought in arranging for the Prime Minister to see the brochure and material about the China Trade and Cultural Centre development in the London Docklands. I know that the Prime Minister will be interested to have this material before the visit to London next week of the Secretary General of the Central Committee, Mr. Hu Yaobang. It does indeed look an exciting development.

N. L. Wicks

6

The Baroness Falkender, C.B.E.



THE SUNDAY TIMES

Giant centre could rival Hong Kong as trading post in 1990s, say Chinese and British backers

East End set to build new Chinatown

by David Connett

AN £80m scheme to re-create a Chinatown in the east end of London, complete with pandas, pagodas and junks, looks likely to be given the go-ahead this month. It would result in an official Chinese "business and cultural city" in the Isle of Dogs, and be a coup for Britain in attracting China's first international trading centre in Europe.

The jointly financed Anglo-Chinese deal, which Lord Wilson of Rievaulx, the former Labour prime minister, played a vital role in setting up, will "contribute to the long term interest and better relations between Britain and China", said the head



Site of the new venture

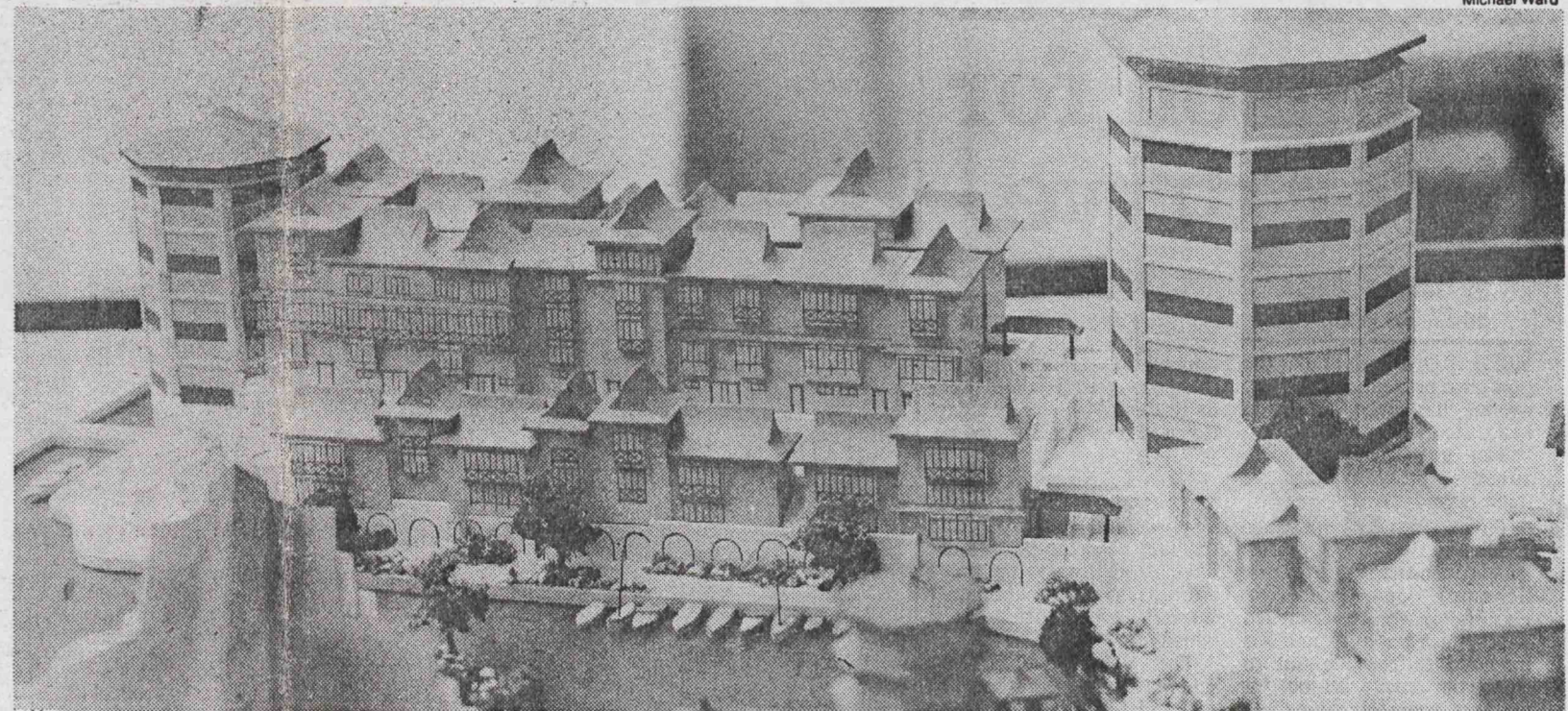
of the Chinese delegation, Zhang Zhaoru, who visited London last month to inspect the site. It will be built in the area of Britain's first Chinese community, at Limehouse in London's docklands.

The site will include a

Chinese-European trade centre, a Chinese Harrods-style department store, an exhibition hall, a four-star hotel with 200 bedrooms, a Chinese cultural centre, food hall and mock Chinese streets with shops and restaurants.

Part of the site will be surrounded by a Chinese wall with some architectural features borrowed from the forbidden city in Peking. Many of the buildings will be decorated with traditional designs and built with materials brought from China.

It is intended that the trade centre will be China's main trade and cultural shop window in Europe, representing Peking and Shanghai, Tianjin and other major provinces.



Michael Ward

Limehouse revisited: model of part of the planned development, which will have a trade and cultural centre, a 200-room hotel and a Chinese 'Harrods'

The plan's backers, the British ICE group and the Tianjin provincial government, claim it could rival Hong Kong as the main trading post between China and the West when Hong Kong reverts to China in the 1990s. Chinese industrialists and several leading British firms, including GEC, have already expressed interest in selling and demonstrating

their products at the trade centre.

Since adopting an "open door" trade policy as a key part of its modernisation programme, China has become one of the biggest potential markets for British exporters. A visit by the Queen to China later this year will spur even greater efforts to sell goods to the Chinese, who are equally

eager to export their goods to the West.

London's new Chinatown is planned for a seven-acre site at Poplar Docks owned by the London Dockland Development Corporation. The corporation is negotiating a building agreement with the ICE group and the Chinese, and is giving the scheme top priority. A feasibility study has

shown it could provide up to 2,000 jobs. Once planning permission is granted construction of the site is expected to take three years, with a 1990 opening. The Department of Trade and Industry's Chinese section is helping with background information.

Wilson spearheaded a crucial ICE delegation to China in May last year and suc-

ceeded in interesting China's premier, Zhao Ziyang, in the development. The Chinese have promised to lend two pandas, an endangered species, to the centre for two years if the project succeeds. Wilson, an ICE director, also helped with negotiations with the British government and with leading financial groups who were approached to provide cash backing.



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