

NEW FILE COVER

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Internal Situation

UK/Tunisian Relations

TUNISIA

February 1980

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
19.10.87							
11.11.87							
23.11.87							
11.3.88							
17.5.88							
3.10.88							
11.6.91							

PREM 19/3581

TUNISIAN EMBASSY

29 PRINCES GATE

LONDON SW7

TEL: 01-584 8117

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No.

→ SUBJECT
MASTER
OPS
FILED ON:

NON-OFFICIAL TRANSLATION

HIS EXCELLENCY MR JOHN MAJOR
PRIME MINISTER OF THE UNITED KINGDOM OF GREAT BRITAIN
LONDON.

As the United Kingdom celebrates its national day, it gives me pleasure to convey to Your Excellency my warmest congratulations and my best wishes for your personal happiness and for the prosperity of the friendly British people.

Hamed El Karoui
Prime Minister of the Republic
of Tunisia

TUNISIAN EMBASSY

No. 267/Prot
AH/KR

29 PRINCES GATE
LONDON SW7

TEL: 01-584 8117

The Tunisian Embassy presents its compliments to the Near East and North Africa Department of the Foreign and Commonwealth Office and has the honour to enclose herewith two messages: the first from Dr. Hamed Karoui, Prime Minister of Tunisia to The Rt Hon John Major, MP, Prime Minister and the second from Mr Habib Ben Yahia, Minister of Foreign Affairs of Tunisia, to The Rt Hon Douglas Hurd, CBE, MP, Secretary of State for Foreign and Commonwealth Affairs.

The Tunisian Embassy would be most grateful if these messages could be forwarded and avails itself of this opportunity to renew to the Near East and North Africa Department of the Foreign and Commonwealth Office the assurances of its highest consideration.



London, 11 June 1991

Near East & North Africa Department
Foreign and Commonwealth Office
London SW1.



file DTS

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

3 October 1988

The Prime Minister has asked me to thank you most warmly for your courteous letter of 30 September. She is very grateful for all that you have done during your time in London to strengthen and consolidate relations between the United Kingdom and Tunisia, and wishes you every success in the future.

The Prime Minister has asked me to extend to you her personal best wishes.

C. D. POWELL

His Excellency Monsieur Hamadi Khouini, C.B.E.

EAM

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TUNISIAN EMBASSY

N° 1358/Prot
HK/KR

CCPC

29 PRINCES GATE
LONDON SW7
TEL: 01-584 8117

30th September, 1988

The Rt Hon Margaret Thatcher, MP
Prime Minister
10 Downing Street
London
SW1.

Dear Prime Minister,

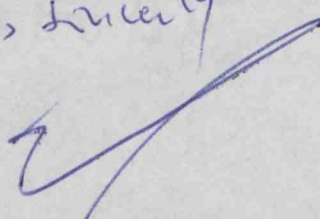
Before leaving this country where I have served as Ambassador Extraordinary & Plenipotentiary of the Republic of Tunisia to the Court of St. James's, I would like to convey to you my warmest thanks and my sincere appreciation for the understanding and the assistance which yourself and your colleagues have extended to me during my stay.

Thanks to this assistance, you and your colleagues have made my mission easier and more effective and I will never forget it.

I hope that your Government will continue its efforts to promote the cooperation between the two countries ; President Zine El Abidine BEN ALI is indeed very eager to see such a promotion to continue in the future and with your assistance it certainly will.

Please accept the assurances of my highest consideration.

Yours sincerely



Hamadi Khouini, CBE
Ambassador.

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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

29 June 1988

Thank you for your letter of 27 June about the message from the President of Tunis. I am content for you to deal with this as you propose.

(P. A. BEARPARK)

R. N. Peirce, Esq.,
Foreign and Commonwealth Office.

✓



Foreign and Commonwealth Office

London SW1A 2AH

27 June 1988

GR?
NIT CF

Message from the President of Tunis

Thank you for your letter of 22 June and enclosures.

I attach a translation of the message from President Ben Ali which was forwarded by the Tunisian Ambassador. President Ben Ali expresses appreciation for British support of UN Security Council Resolution 611 which condemned the killing of Abu Jihad, the PLO leader. The Tunisian Foreign Minister has written in similar terms to the Secretary of State.

There is no need for the Prime Minister to reply personally. If you agree, we will instruct our Ambassador in Tunis to convey her thanks to the President. We will arrange for the Tunisian Ambassador to be informed.

(R N Peirce)
Private Secretary

PA Bearpark Esq
10 Downign Street

Republic of Tunisia

The President

Dear Prime Minister,

Discussions in the Security Council concerning the aggression against the sovereignty and territorial integrity of Tunisia have enabled us to gauge the degree of solidarity felt by the International Community with my country in these times of trial.

As we expected, the United Kingdom did not fail to give us its valuable support when voting took place on the Council Resolution, thus reaffirming its continuing wish to further the cause of peace and justice.

In conveying to Your Excellency, both personally and on behalf of the Tunisian people, our profound gratitude and deep appreciation, I would like you to know how much we were touched by your expression of sympathy and support on this occasion which bear witness, as if this were necessary, to the strength of the ties binding our two countries.

Courtesy close.

Zine El Abidine BEN ALI



10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

22 June 1988

I am writing on behalf of the Prime Minister, who is currently on an overseas visit, to thank you for your letter of 21 June with which you enclosed a letter from the President of Tunisia.

I shall of course ensure that Mrs. Thatcher sees this on her return.

P. A. BEARPARK

His Excellency Monsieur Hamadi Khouini, C.B.E.

TUNISIAN
Ambassador

6/7



[Handwritten initials]

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

22 June 1988

I attach a copy of a letter which the Prime Minister has received from the Tunisian Ambassador.

I should be grateful if you could provide advice, translation and a draft reply if required.

P. A. BEARPARK

Lyn Parker, Esq.,
Foreign and Commonwealth Office

[Handwritten initials]

TUNISIAN EMBASSY

No.1000/Prot.
HK/JP.

29 PRINCES GATE
LONDON SW7
TEL: 01-584 8117

21st June 1988.

Rt Hon Margaret Thatcher, M.P.
Prime Minister
10, Downing Street
London
SW1.

Dear Prime Minister,

I have the honour to enclose herewith a letter addressed to you from the President of Tunisia, Mr Zine El Abidine BEN ALI.

Please accept the assurances of my highest consideration.



Hamadi Khouini, C.B.E.
Ambassador.



Le Président

Madame le Premier Ministre,

Les débats du Conseil de Sécurité relatifs à l'agression contre la souveraineté et l'intégrité territoriale de la Tunisie nous ont donné l'occasion de mesurer l'élan de solidarité réservé par la Communauté Internationale à mon pays dans cette dure épreuve.

Comme nous nous y attendions, le Royaume Uni n'a pas manqué de nous apporter son précieux appui lors du vote de la résolution du Conseil, réaffirmant par la même son attachement constant à la cause de la paix et de la justice.

En exprimant à Votre Excellence, en mon nom personnel et au nom du peuple tunisien, notre profonde gratitude et notre vive appréciation, je voudrais vous dire combien nous avons été sensibles aux marques de sympathie et d'appui que Vous nous avez témoignées à cette occasion et qui traduisent, s'il en était besoin, la solidité des liens d'amitié qui unissent nos deux peuples.

Je vous prie de croire, Madame le Premier Ministre, à l'expression de ma haute estime et de ma parfaite considération.

Zine El Abidine BEN ALI

Son Excellence
Madame Margaret THATCHER
Premier Ministre du Royaume Uni
de Grande Bretagne et d'Irlande du Nord.



Foreign and Commonwealth Office

London SW1A 2AH

11 March 1988

Dear Charles

Message from the Tunisian Prime Minister

/ I enclose a message addressed to the Prime Minister by Mr Hedi Baccouche and transmitted on 9 March by the Tunisian Ambassador to Mr Munro.

The message registers the Tunisians' concern at the situation in the Occupied Territories and records their appreciation for recent British efforts in the peace process. The message was apparently sent on the initiative of President Ben Ali, in reflection of the Tunisians' wish to maintain close contact with us on the political front.

/ The Prime Minister will wish to acknowledge the message. I attach a draft, taking this advantage to urge Arab support for current US proposals, and the need to avoid any escalation of the violence in the Occupied Territories.

Yours ever

(R N Culshaw)
Private Secretary

C D Powell Esq
PS/No 10 Downing Street

DSR 11 (Revised Sept 85)

DRAFT: minute/letter/teleletter/despatch/note

TYPE: Draft/Final 1 +

FROM: Prime Minister

Reference

DEPARTMENT: TEL. NO:

Your Reference

BUILDING: ROOM NO:

SECURITY CLASSIFICATION

Top Secret

Secret

Confidential

Restricted

Unclassified

TO: His Excellency
Mr Hedi Baccouche

Copies to:

OG2ONZ

PRIVACY MARKING

..... In Confidence

CAVEAT

SUBJECT:

Thank you for your letter dated 27 February.

~~As you know,~~ ^W we share fully your concern to see early progress achieved towards a just and comprehensive settlement of the Arab/Israeli conflict, in order that the ~~tragic~~ violence and killings in the Occupied Territories can stop. We believe that the proposed international conference has an important role to play in this process. I am glad to know that you consider our efforts in this area to have been helpful.

We shall continue to support all moves to achieve a settlement, including the current initiative of the United States. ~~In our common pursuit of peace in the region,~~ I hope that you and your Arab colleagues will give the United States proposals every chance to succeed. ~~In the meantime, I urge you to use your considerable influence to help ensure that there is no further escalation of the violence and suffering in the Occupied Territories.~~

Enclosures flag(s)

CG

Not 'T'd.
Pm is 'T'd not Pres.

cc PC

TUNISIAN EMBASSY

29 PRINCES GATE
LONDON SW7
TEL: 01-584 8117

No. 2437/Prot.
HK/JP.

7th December 1987.

cc. FCO
CM

Rt Hon Margaret Thatcher, M.P.
10, Downing Street
London
SW1.

Jean Louis Auviste

I have been requested by my President to forward the enclosed message to you.

Please be assured of my highest consideration.

Yours, sincerely,

Hamadi KHOUINI, C.B.E.
Ambassador.

NON-OFFICIAL TRANSLATION

PRIME MINISTER,

I WOULD LIKE TO THANK YOU FOR YOUR AMIABLE WISHES AND
YOUR KIND ATTENTION ON THE OCCASION OF MY ACCESSION TO THE
PRESIDENCY OF THE REPUBLIC OF TUNISIA.

PLEASE BE ASSURED OF MY SINCERE DETERMINATION TO WORK IN
FAVOUR OF STRENGTHENING THE FRIENDLY RELATIONS AND COOPERATION
BETWEEN OUR TWO COUNTRIES AND FOR THE SUCCESS OF THE IDEALS OF
LIBERTY, DIGNITY AND DEMOCRACY WHICH WE HAVE IN COMMON.

PLEASE ACCEPT, DEAR PRIME MINISTER, THE ASSURANCE OF MY
HIGHEST CONSIDERATION.

ZINE EL ABIDINE BEN ALI
PRESIDENT OF THE TUNISIAN REPUBLIC



Madame MARGARET THATCHER
Premier Ministre de Grande- Bretagne
et d'Irlande du Nord

Madame le Premier Ministre,

Je vous remercie des aimables
voeux que vous avez eu la délicate attention de m'adresser
à l'occasion de mon accession à la Présidence de la République
Tunisienne.

Soyez assurée de ma sincère détermination
à oeuvrer en faveur du raffermissement des liens de coopération
et d'amitié entre nos deux pays et d'oeuvrer pour la victoire
des idéaux qui nous rattachent en commun à la liberté, à la
Dignité et à la Démocratie.

Je vous prie de croire, Madame le Premier
Ministre, à ma parfaite considération.

A handwritten signature in green ink, enclosed in a green oval. The signature appears to be 'Zine El Abidine Ben Ali'.

Zine El Abidine BEN ALI

Président de la République Tunisienne.

00

IT

C.C. FW
C.D.G. JB
23/Ki 23/12

TUNISIAN EMBASSY

No. 2350./Prot.

HK/JP.

29 PRINCES GATE
LONDON SW7
TEL: 01-584 8117


23rd November 1987.

The Rt Hon Margaret Thatcher, M.P.
Prime Minister
10, Downing Street
London
SW1.

See Prime Minister dated 16-11-87

I have the honour to enclose herewith a letter addressed to you from the Tunisian Prime Minister.

Please accept, Prime Minister, the assurance of my highest consideration.


Hamadi KHOUINI, C.B.E.

AMBASSADOR.



Tunis le, 14 Novembre 1987.

RÉPUBLIQUE TUNISIENNE

Le Premier Ministre

Madame le Premier Ministre,

J'ai eu le réel plaisir de recevoir votre amical message de voeux à la suite de ma nomination aux fonctions de Premier Ministre de la République Tunisienne.

J'ai été particulièrement sensible à vos propos délicats et vous en remercie chaleureusement, étant persuadé que les relations d'amitié et de coopération entre nos deux pays iront en se consolidant.

Je vous prie de croire, Madame le Premier Ministre, à mon profond hommage ainsi qu'à ma très haute considération.

Hédi BACCOUCHE.

S.E. Madame Margaret THATCHER
Premier Ministre du Royaume-Uni
de Grande-Bretagne et d'Irlande
du Nord.

- L O N D R E S -

SUBJECT: OPS
made.

PRIME MINISTER'S

PERSONAL MESSAGE

SERIAL No. T208A/87

NON OFFICIAL TRANSLATION

PRIME MINISTER,

It was a great pleasure to receive your good wishes on the occasion of my appointment as Prime Minister of the Tunisian Republic.

I was particularly touched by your thoughtful words and thank you warmly, being convinced that the friendly relations and cooperation between our two countries will be further strengthened.

Please accept, Prime Minister, my deep respect and my high consideration.

HEDI BACCOUCHE.

14-11-87

alc 8/12

12 November 1987

TUNISIA: CONGRATULATORY MESSAGES

Thank you for your letter of 11 November enclosing draft messages from the Prime Minister to the new President and Prime Minister of Tunisia. These may issue.

DIF //

(C. D. POWELL)

Robert Culshaw, Esq., M.V.O.,
Foreign and Commonwealth Office.

OTS



Foreign and Commonwealth Office

London SW1A 2AH

11 November 1987

Dear Charles,

Tunisia: Congratulatory Messages

Following the assumption by Mr Zine Al Abdine Ben Ali of the Presidency of Tunisia, we have been considering messages to him and his senior colleagues.

Ben Ali's assumption of power has been orderly, and conducted with the minimum of force. He has claimed that his action was in accordance with the Tunisian constitution (though it has rather the appearance of a bloodless coup). You will have seen both from press reports and from the telegrams from Tunis that the situation is calm, the government well in control, and our advice to British nationals proposing to visit Tunis is that they should proceed with their plans. Ben Ali's action has resolved the doubts over the succession to Bourguiba which have bedevilled Tunisian politics for several years. His initial actions, eg the release of the opposition leader Achour, suggest that he intends to pursue a policy of reconciliation. The broad lines of Tunisian foreign policy appear to be unchanged.

The new government appears to offer a good basis for stability in Tunisia and is evidently keen to preserve good relations with the West. The US, France and other partners have sent supportive messages. The Foreign Secretary therefore recommends that the Prime Minister should send personal messages of support to President Ben Ali and to the new Prime Minister. I enclose a draft telegram to Tunis. The Foreign Secretary is sending a separate message to the new Tunisian Foreign Minister.

We are not recommending that The Queen send any message.

It seems advisable to concentrate at this stage on the new government and the way ahead. But we should not allow President Bourguiba's immense contribution to Tunisia and his friendship for the West to go entirely unremarked. We shall offer further advice on this in slower time, once our new Ambassador (Stephen Day) has arrived in post.

Yours ever

(R N Culshaw)
Private Secretary

C D Powell Esq
10 Downing Street

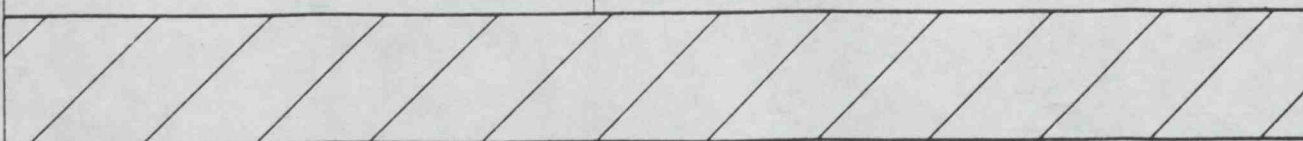
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4	FM FCO
5	TO IMMEDIATE TUNIS
6	TELNO
7	OF 101720Z NOVEMBER 87
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9	
10	TUNISIA: MESSAGES TO NEW GOVERNMENT
11	1. Please convey the following messages from the Prime Minister:
12	(a) to President Ben Ali
13	BEGINS
14	I offer you my best wishes as you assume your new representations ^{responsibilities}
15	as President of Tunisia. I look forward to working with you to
16	develop and strengthen the traditional ties of friendship and
17	cooperation between our two countries.
18	ENDS
19	(b) to Mr Hedi Baccouche
20	BEGINS ^{best wishes}
21	I send you my congratulations on your appointment as Prime
22	Minister and wish you every success in the tasks ahead. ^{Tunisia} You can
23	count on our continued friendship and support.
24	ENDS
25	
26	HOWE
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ADDITIONAL	Authorised for despatch by: Initials Date/time			
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PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T206A/8

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TELNO 168
OF 101720Z NOVEMBER 87

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NO - P/A

TUNISIA: MESSAGES TO NEW GOVERNMENT
1. PLEASE CONVEY THE FOLLOWING MESSAGES FROM THE PRIME MINISTER:
(A) TO PRESIDENT BEN ALI
BEGINS

I OFFER YOU MY BEST WISHES AS YOU ASSUME YOUR NEW RESPONSIBILITIES AS PRESIDENT OF TUNISIA. I LOOK FORWARD TO WORKING WITH YOU TO DEVELOP AND STRENGTHEN THE TRADITIONAL TIES OF FRIENDSHIP AND COOPERATION BETWEEN OUR TWO COUNTRIES.

ENDS

(B) TO MR HEDI BACCOUCHE
BEGINS

I SEND YOU MY BEST WISHES ON YOUR APPOINTMENT AS PRIME MINISTER AND WISH YOU EVERY SUCCESS IN THE TASKS AHEAD. TUNISIA CAN COUNT ON OUR CONTINUED FRIENDSHIP AND SUPPORT.

ENDS

HOWE
YYYY

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TO DESKBY 121600Z TUNIS
TELNO 168
OF 101720Z NOVEMBER 87

TUNISIA: MESSAGES TO NEW GOVERNMENT

1. PLEASE CONVEY THE FOLLOWING MESSAGES FROM THE PRIME MINISTER:

(A) TO PRESIDENT BEN ALI

BEGINS

I OFFER YOU MY BEST WISHES AS YOU ASSUME YOUR NEW RESPONSIBILITIES AS PRESIDENT OF TUNISIA. I LOOK FORWARD TO WORKING WITH YOU TO DEVELOP AND STRENGTHEN THE TRADITIONAL TIES OF FRIENDSHIP AND COOPERATION BETWEEN OUR TWO COUNTRIES.

ENDS

(B) TO MR HEDI BACCOUCHE

BEGINS

I SEND YOU MY BEST WISHES ON YOUR APPOINTMENT AS PRIME MINISTER AND WISH YOU EVERY SUCCESS IN THE TASKS AHEAD. TUNISIA CAN COUNT ON OUR CONTINUED FRIENDSHIP AND SUPPORT.

ENDS

HOWE
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TELNO 268

OF 090730Z NOVEMBER 87

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INFO PRIORITY TFCRE, MODUK (FOR D I ROW), ASSESSMENTS STAFF

INFO PRIORITY CABINET OFFICE

SIC

TUNISIA: THE POST-BOURGUIBA ERA BEGINS

SUMMARY

1. IN WAKE OF TRANSFER OF POWER IN TUNISIA, PRELIMINARY ASSESSMENT OF PROSPECTS FOR STABILITY, POLITICAL/ECONOMIC OUTLOOK AND IMPLICATIONS FOR TUNISIA'S RELATIONS WITH UK.

DETAIL

2. TWO DAYS AFTER THE NEW PRESIDENT'S ASSUMPTION OF OFFICE, ANY ASSESSMENT CAN ONLY BE TENTATIVE AND IMPRESSIONISTIC. BUT OVERALL, THERE ARE GROUNDS FOR RELIEF AND SOME OPTIMISM.

PROSPECTS FOR STABILITY

3. THE FACT THAT THE TRANSITION HAS HAPPENED SMOOTHLY AND PEACEFULLY IS ITSELF A STRONG FACTOR FOR STABILITY. OTHER POINTERS TO TUNISIA REMAINING POLITICALLY CALM AND STABLE IN THE AFTERMATH OF THE CHANGEOVER INCLUDE THE WIDESPREAD ACQUIESCENCE AND EVIDENTLY GENUINE RELIEF THROUGHOUT TUNISIA AT THE CHANGE AND THE WAY IT HAPPENED. THE GENERALLY CALM PUBLIC REACTION CAN BE TAKEN TO REFLECT VARIOUSLY INDIFFERENCE, FATALISM OR CONTENTMENT. BUT THERE IS NO EVIDENCE OF POPULAR ANXIETY OR DISSATISFACTION. THIRDLY, THE PARTIES AND ORGANISATIONS COLLECTIVELY CONSTITUTING "THE OPPOSITION" FROM THE HUMAN RIGHTS LEAGUE TO THE MDS AND EVEN THE MTI "ISLAMISTES" HAVE GIVEN A CAUTIOUS WELCOME TO THE NEW PRESIDENT AND GOVERNMENT AND IN PARTICULAR TO THEIR EXPRESSED INTENTION TO RESTORE AND DEVELOP A PLURALIST DEMOCRATIC POLITICAL SYSTEM.

4. THE RISK OF INTERNAL THREAT OR CHALLENGE TO THE CONSTITUTIONAL ASSUMPTION OF POWER BY THE NEW PRESIDENT HAS BEEN MINIMISED. BEN ALI HAD SECURED THE BACKING OF THE SECURITY AND ARMED FORCES AND

THE ENDORSEMENT OF PARTY ORGANISATION AND PARLIAMENT: THE RESTRAINED BUT PRECISE 'PRECAUTIONARY DETENTION' OF THOSE FEW FIGURES WHO MIGHT HAVE TRIED TO CHALLENGE THE TRANSFER OF POWER AVOIDED THE IMMEDIATE RISK OF DISPUTE. THE FIRM BUT DISCREET ISOLATION OF BOURGUIBA PREVENTED HIM FROM BECOMING AN IMMEDIATE RALLYING POINT FOR ANY DISCONTENT, WHILE THE LONGER TERM PLAN FOR HIS RETIREMENT TO SFAX (WHERE THE INHABITANTS HAVE NO LOVE FOR THE TOWN OR PEOPLE OF NEIGHBOURING MONASTIR, BOURGUIBA'S BIRTHPLACE AND NORMAL 'SECOND HOME') WILL MAINTAIN THAT CONSTRAINT. NO TUNISIAN IN EXILE REPRESENTS A THREAT. SOME (GUIGA, MASMOUDI) HAVE ALREADY SEEN THE POSSIBILITY OF A REINTEGRATION INTO TUNISIAN POLITICAL LIFE.

5. THE MOST IMMEDIATE POTENTIAL THREAT FROM OUTSIDE - QADHAFI - IS INEVITABLY MORE DIFFICULT TO ASSESS. HE HAS TELEPHONED CONGRATULATIONS. BUT TUNISIA'S SECURITY FORCES CAN BE EXPECTED TO BE ON THE ALERT. THE TERMS OF ALGERIA'S PROMPT AND ROBUST MESSAGE OF SUPPORT FOR THE NEW TUNISIAN LEADERSHIP WERE DOUBTLESS INTENDED ALSO AS A SIGNAL TO LIBYA.

6. THE COMPOSITION OF THE NEW GOVERNMENT IS REASSURING. THE MINISTERIAL TEAM IS BALANCED AND EXPERIENCED BUT WITH A YOUNGER GENERATION COMING THROUGH. BACCOUCHE AS P.M. IS IMPORTANT NOT ONLY FOR HIS EXPERIENCE IN THE PARTY AND POLITICAL ORGANISATION BUT FOR THE FACT THAT HE ENJOYS THE RESPECT AND CONFIDENCE OF TUNISIA'S IMMEDIATE NEIGHBOURS. AMMAR (INTERIOR) AND HIS SUBORDINATES ARE MEN OF INTEGRITY AND ABILITY WHO ARE CLOSE TO BEN ALI, BALLY (DEFENCE) IS EXPERIENCED AND DEPENDABLE. THE ECONOMIC MINISTERS AND INDEED MOST OTHERS ARE UNCHANGED. MANY ARE YOUNG AND CAPABLE TECHNOCRATS (MY TELNO 252 REFERS).

POLITICAL AND ECONOMIC OUTLOOK

7. THE KEY WORDS IN THE POLITICAL CONTEXT ARE 'REDRESSEMENT' AND 'OUVERTURE'. TUNISIANS NO LESS THAN OTHERS WERE AWARE HOW IN BOURGUIBA'S YEARS OF DECLINE THE POLITICAL STRUCTURES HAD BECOME MORIBUND OR MEANINGLESS, PRESIDENTIAL DECISION-MAKING INCREASINGLY ARBITRARY, AUTOCRATIC AND SUSCEPTIBLE TO MANIPULATION, AND THE INVOCATIONS OF THE CIVILISED AND DEMOCRATIC 'ACQUIS' OF BOURGUIBIST TUNISIA HAD RUNG INCREASINGLY HOLLOW AS HIS INTOLERANCE OF ANY OPPOSITION INCREASED. ANTI-DEMOCRATIC EXTREMISTS (ISLAMIC AND OTHER) WERE FINDING FERTILE GROUND. BUT THE TUNISIAN NATURE IS NOT TO GO TO EXTREMES, AND BEN ALI'S EMPHASIS ON A RESTORATION OF PARTICIPATORY DEMOCRACY AND THE DEVELOPMENT OF A MULTI-PARTY SYSTEM HAS ALREADY ELICITED A POSITIVE RESPONSE (PARA 3 ABOVE), AS HAS THE

PARALLEL EMPHASIS ON RECONCILIATION AND AN END TO NEPOTISM AND INTRIGUE. BUT THE TASK OF POLITICAL REFORM WILL NOT BE EASY AND IT REMAINS TO BE SEEN WHETHER BEN ALI CAN ACT EFFECTIVELY ENOUGH TO SATISFY EXPECTATIONS THAT HAVE ALREADY BEEN AROUSED WHILE AVOIDING THE POTENTIAL PITFALLS OF A 'FREE FOR ALL'.

8. EXTERNALLY, THE GOVERNMENT'S STATED PRIORITY IS TO MAINTAIN AND IMPROVE ITS GOOD RELATIONSHIPS WITH NEIGHBOURS, ITS CLOSE LINKS WITH MAJOR (WESTERN) NATIONS AND WITH ARAB AND OTHER REGIONAL COUNTRIES. THERE IS NO EVIDENCE TO SUGGEST ANY REORIENTATION IN TUNISIA'S FOREIGN POLICY. THEY ARE CLEARLY SETTING GREAT STORE BY THE ENDORSEMENT AND SUPPORT OF THEIR FRIENDS. IN THE SHORT TO MEDIUM TERM THE EMPHASIS IS LIKELY TO BE ON RESTORING TUNISIA'S INTERNATIONAL CREDIBILITY AND IMAGE.

9. THE ECONOMY REMAINS A MAJOR CHALLENGE. THE CLIMB OUT OF THE DESPERATE PREDICAMENT OF 1986 HAD BEGUN, AIDED BY IMPROVEMENTS IN EXTERNAL FACTORS AND GENEROUS AND BENEVOLENT FRIENDS. EFFORTS TO LIBERALISE AND GALVANISE THE ECONOMY ARE ALREADY UNDER WAY. IT IS TOO EARLY TO ASSESS THE LIKELY IMPACT OF THE SPECIFIC MEASURES RECENTLY PROPOSED. BUT IN GENERAL GREATER DOMESTIC CONFIDENCE IN THE STABILITY OF THE COUNTRY SHOULD STIMULATE ECONOMIC DECISION-MAKING, WHICH HAS LONG BEEN CONSTRAINED BY THE BUREAUCRATIC INERTIA THAT WAS A CONSEQUENCE OF THE ARBITRARINESS AND UNPREDICTABILITY OF BOURGUIBA'S LATER YEARS. BEN ALI AND HIS ECONOMIC TECHNOCRATS WILL BE TRYING TO GET TUNISIANS 'BACK TO WORK'.

TUNISIA' RELATIONS WITH UK

10. YOU WILL BE AWARE FROM PRESS AND OTHER REPORTS OF THE COMMENTS AND REACTIONS OF MANY OTHER COUNTRIES TO THE CHANGES IN TUNISIA. AS REGARDS THE UK-TUNISIA RELATIONSHIP, IN BOTH PUBLIC STATEMENTS AND DIRECT MESSAGES THE TUNISIAN GOVERNMENT HAS INDICATED THE IMPORTANCE IT ATTACHES TO ITS LINKS WITH THE UK AND TO THE VIEWS OF HMG. MY TELNO 265 IS ONE ILLUSTRATION OF THIS. THE UK WAS ONE OF ONLY SEVEN COUNTRIES WHOSE REPRESENTATIVES WERE SUMMONED BY THE NEW FOREIGN MINISTER ON THE MORNING OF THE CHANGEOVER FOR INDIVIDUAL MEETINGS. THE OTHERS WERE US, FRANCE, WEST GERMANY, ITALY, SOVIET UNION AND CHINA. ALL OTHER HEADS OF MISSION WERE BRIEFED IN COLLECTIVE MEETINGS AT THE MFA. THIS IS PERHAPS A FACTOR TO BE BORNE IN MIND IN THE DEPARTMENT'S DRAFTING OF THE MESSAGES TO THE NEW TUNISIAN LEADERSHIP.

10. I AM TELEGRAPHING SEPARATELY ABOUT EXISTING PLANS OR PROPOSALS

FOR BILATERAL CONTACTS ETC SCHEDULED FOR THE NEXT TWO MONTHS OR SO.

CONCLUSION

12. THE QUESTION OF THE SUCCESSION TO BOURGUIBA HAS BEEN HANGING OVER TUNISIA FOR DECADES. THE LONGER BOURGUIBA HUNG ON, THE GREATER SEEMED TO BE THE RISK THAT THE TRANSITION WHEN IT CAME MIGHT BE UNCERTAIN, UNTIDY, CONFRONTATIONAL, OR VIOLENT TO THE POINT WHERE THE STABILITY, INDEED SURVIVAL OF TUNISIA WITH ITS PRESENT POLITICAL STRUCTURES AND ORIENTATION WOULD BE THREATENED.

13. IN THE EVENT THE DEPOSITION OF BOURGUIBA TOOK PLACE PEACEFULLY AND LEGALLY, WITHOUT EVIDENT PROBLEMS. THE NEW PRESIDENT BEN ALI AND HIS GOVERNMENT ARE IN FULL CONTROL, WITH POPULAR ACCEPTANCE. THEY ARE SAYING ALL THE RIGHT THINGS FOR BOTH THEIR DOMESTIC AND INTERNATIONAL AUDIENCES. THE RESPECT FOR BOURGUIBA'S ACHIEVEMENTS IS TEMPERED BY A FRANK ASSERTION OF HIS INCAPACITY AND EMPHASIS THAT A NEW ERA HAS BEGUN. MUCH WILL DEPEND ON THE WAY IN WHICH THE NEW PRESIDENT BEN ALI PRESENTS HIMSELF AND HIS GOVERNMENT'S PROGRAMME IN THE COMING MONTHS. UNDER THE CONSTITUTION HE HAS FOUR YEARS UNTIL THE END OF THE CURRENT LEGISLATIVE SESSION BRINGS THE REQUIREMENT FOR A PRESIDENTIAL ELECTION.

14. THE POST-BOURGUIBA ERA HAS BEGUN LESS TRAUMATICALLY THAN MANY MIGHT HAVE EXPECTED.

15. FCO NENAD PLEASE COPY FURTHER AS APPROPRIATE.

STEWART

YYYY

DISTRIBUTION

441

MAIN

441

FCO/WHITEHALL(PALACE)

NENAD

NNNN

TUNISIAN EMBASSY

No. 1986/Prot.

HK/JP.

Mr. R. DIXON.

WH. 204.

We spoke, herewith for
transmission. We have kept
copy to our file. 2/10/10

29 PRINCES GATE

LONDON SW7

TEL: 01-584 8117

19th October 1987.

Mr A.G.Munro, CMG
Deputy Under-Secretary of State
Foreign & Commonwealth Office
London
SW1.

~~Passed to Mr. 10.~~

Dear Mr Munro,

I have pleasure in enclosing herewith a letter addressed to Rt Hon Margaret Thatcher, M.P. from the Prime Minister of Tunisia Monsieur Zine El Abidine BEN ALI and would be most grateful if you could arrange for this to be forwarded to the Prime Minister.

With my Best Regards,



Hamadi KHOUINI, C.B.E.

Ambassador.



SUBJECT
CC MASTER
OPS

Tunis le, 8 Octobre 1987.

RÉPUBLIQUE TUNISIENNE

Le Premier Ministre

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T182B187

Madame le Premier Ministre,

J'ai eu le grand plaisir de recevoir votre aimable message de félicitations à l'occasion de ma nomination par le Président Habib BOURGUIBA en qualité de Premier Ministre et Ministre de l'Intérieur.

Je vous en remercie chaleureusement et vous prie de croire que je suis sensible à l'intérêt que vous portez au raffermissement des relations amicales existant entre nos deux pays, étant moi-même persuadé qu'elles iront en se consolidant davantage.

Je vous prie de croire, Madame le Premier Ministre, à mon profond hommage ainsi qu'à ma très haute considération.

Zine El Abidine BEN ALI.

S.E. Madame Margaret THATCHER
Premier Ministre du Royaume-Uni
de Grande-Bretagne et d'Irlande
du Nord.

- L O N D R E S -

*Prime Minister*²

NON OFFICIAL TRANSLATION

It was a great pleasure to receive your kind message of congratulations on the occasion of my appointment by President Habib Bourguiba as Prime Minister and Minister of the Interior.

I warmly thank you and would like you to know that I appreciate your interest in strengthening the friendly relations existing between our two countries for I am myself convinced that they will continue to be consolidated.

Please accept dear Prime Minister my deep respect as well as the assurance of my highest consideration.

Zine El Abidine BEN ALI



Subject cc MASTER
OPS

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T180/87143370
MDHOAN 2869

UNCLASSIFIED

UNCLASSIFIED
FM FCO
TO IMMEDIATE TUNIS
TELNO 145
OF 041522Z OCTOBER 87

'T'

NEW TUNISIAN PRIME MINISTER

1. PLEASE CONVEY THE FOLLOWING MESSAGE FROM THE PRIME MINISTER
TO MR BEN ALI:

BEGINS:

I SEND YOU MY CONGRATULATIONS ON YOUR APPOINTMENT AS
PRIME MINISTER AND WISH YOU EVERY SUCCESS IN THE TASKS AHEAD.
I LOOK FORWARD TO MAINTAINING AND DEVELOPING THE EXCELLENT
RELATIONS WHICH EXIST BETWEEN OUR TWO COUNTRIES.

ENDS.

HOWE

YYYY

DISTRIBUTION

42

MAIN 42

LIMITED
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PROTOCOL DEPT
NEWS D
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PS/MR MELLOR
PS/PUS
MR MUNRO
SIR D MIERS

NNNN

CONFIDENTIAL



Ali

ech

bc pc

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

3 October 1987

NEW TUNISIAN PRIME MINISTER

Thank you for your letter of 2 October recommending the Prime Minister send a message of congratulations to the new Tunisian Prime Minister. I am sure that she will be willing to do so and the message enclosed with your letter (copy attached for ease of reference) may be despatched.

(Charles Powell)

R.N. Culshaw, Esq., M.V.O.,
Foreign and Commonwealth Office.

CONFIDENTIAL

do
CONFIDENTIAL



Foreign and Commonwealth Office

London SW1A 2AH

2 October 1987

Dear Charles

New Tunisian Prime Minister

President Bourguiba has appointed Mr Ben Ali as Prime Minister in Tunisia to replace Mr Rashid Sfar (who has been appointed President of the National Assembly).
/ I enclose a personality note on Mr Ben Ali.

It would be appropriate for the Prime Minister to send a message of congratulations to Mr Ben Ali (who will retain his Interior Portfolio).
/ I enclose a draft in the form of a telegram to Tunis.

As Mrs Thatcher has not met the outgoing Prime Minister we do not recommend a message to him.

I am copying this letter to Philip Mawer.

Yours ever

(R N Culshaw)
Private Secretary

C D Powell Esq
10 Downing Street

CONFIDENTIAL

OUT TELEGRAM

		Classification UNCLASSIFIED	Caveat	Precedence IMMEDIATE
ZCZC	1	ZCZC		
TC	2	UNCLASSIFIED		
CAVEAT	3			
FM	4	FM FCO		
TO	5	TO IMMEDIATE TUNIS		
TELNO	6	TELNO		
OF	7	OF 021700Z OCTOBER 87		
AND TO	8			
	9			
	10	NEW TUNISIAN PRIME MINISTER		
	11			
	12	1. Please convey the following message from the Prime Minister		
	13	to Mr Ben Ali:		
	14	Begins:		
	15	I send you my congratulations on your appointment as		
	16	Prime Minister and wish you every success in the tasks ahead.		
	17	I look forward to maintaining and developing the excellent		
	18	relations which exist: between our two countries.		
	19	Ends.		
	20			
	21	HOWE		
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	25	MAIN		
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	29	NEWS DEPT,		
YYYY				Catchword:
MAIN	File number	Dept NENAD	Drafted by (Block capitals) D THOMSON	Telephone no 270 2463
ADDITIONAL	Authorised for Initials Date/time despatch by:			
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OUT TELEGRAM (CONT)

	Classification UNCLASSIFIED	Caveat	Precedence IMMEDIATE
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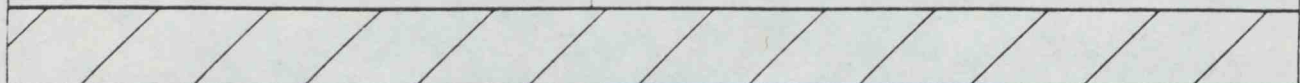
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For distribution order see Page	Catchword:
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CONFIDENTIAL

BEN ALL, (BRIGADIER GENERAL) ZINE EL ABIDINE

Minister of Interior and an assistant secretary general of Political Bureau.

Born Hammam-Sousse, 3 September 1936. Secondary school at Sousse. Diploma as electronic engineer. Graduate of the Ecole Speciale Interarmes, St Cyr, and of the Artillery School, Chalons-sur-Marne. Attended courses with the US Army on intelligence and security and on field and anti-aircraft artillery.

Director of Military Security, 1968-74. Naval and air attaché, Rabat, 1974-77. Minister of Defence's Private Office, 1977. Director-General of National Security, December 1977-April 1980, being promoted Brigadier General, 1979. Ambassador to Poland, 1980-84. Director General of National Security, January 1984, promoted Minister of State October 1984 and again in October 1985 to the full cabinet post of Minister for National Security; finally appointed Minister of Interior in May 1986.

A tough, capable and self-confident officer with a forthcoming and attractive personality, despite his reported ruthlessness. Sometimes referred to as the butcher of 1978 because of his part in suppressing the trade union riots of that year. On becoming Prime Minister, Mzali (qv) promptly packed him off to Poland, in keeping with his liberalising policies, but hastily reinstalled him as Director General of Security after the New Year 1984 riots. Although he has no apparent political ambitions he is said to have built up a powerful network of alliances. Has direct access to the President. Married; his children attended school and university in Warsaw. Declined invitation to visit UK in 1985: he had previously declined invitations from USA and FRG. Burden of work appears to be the reason as bilateral relations are friendly. His department receives aid (eg security equipment and training) from several countries, including Belgium, FRG and Spain. Enjoys frequent direct contact with the President. Still (in April 1987) a very powerful Minister though he has had moments of difficulty with the President and there are rumours of corruption. Perhaps more of a power behind the throne than a contender for it. Has dropped his Military title for the duration of his present, civilian, post.

Married.



hie

GA
celc

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

14 August 1987

TUNISIA: INCIDENTS AT TOURIST HOTELS

The Prime Minister has seen your letter of 13 August. She is content for the enclosed message to issue subject to the amendment I read out to you on the telephone namely that the last few lines should read:

"contemplating a visit to Tunisia, and feel sure that there will be no long term damaging effect on the warm relations between our two countries."

(P. A. BEARPARK)

Lyn Parker, Esq.,
Foreign and Commonwealth Office.

①ATS

do

CGC



Foreign and Commonwealth Office

London SW1A 2AH

13 August 1987

Prime Minister

Dear Andy.

Content?

PM
13/8

Tunisia: Incidents at Tourist Hotels

HMA Tunis has reported President Bourguiba's messages of regret to HM The Queen and the Prime Minister over the injuries to British tourists holidaying in Tunisia (Tunis telno 168). He has recommended that we consider sending suitable replies.

/ I enclose a draft telegram instructing Mr Adams to convey the Prime Minister's thanks, without elevating it to an exchange of messages; this reflects the style of President Bourguiba's own approach.

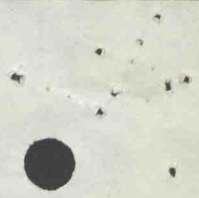
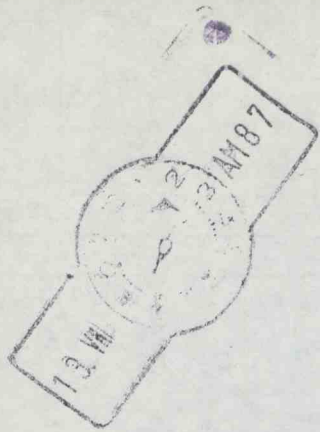
Buckingham Palace have approved the message from HM The Queen.

for Roscoe Dixon
(L Parker)
Private Secretary

P A Bearpark Esq
10 Downing Street

OUT TELEGRAM (CONT)

	Classification CONFIDENTIAL	Caveat	Precedence PRIORITY
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For distribution order see Page Catchword			



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Comments conveyed
to No. 10 18/8

CGC



Foreign and Commonwealth Office

London SW1A 2AH

13 August 1987

ma

Prime Minister

Dear Andy.

Robert?

13/8

Tunisia: Incidents at Tourist Hotels

HMA Tunis has reported President Bourguiba's messages of regret to HM The Queen and the Prime Minister over the injuries to British tourists holidaying in Tunisia (Tunis telno 168). He has recommended that we consider sending suitable replies.

I enclose a draft telegram instructing Mr Adams to convey the Prime Minister's thanks, without elevating it to an exchange of messages; this reflects the style of President Bourguiba's own approach.

Buckingham Palace have approved the message from HM The Queen.

for Rossal Dixon
(L Parker)
Private Secretary

P A Bearpark Esq
10 Downing Street

OUT TELEGRAM

		Classification CONFIDENTIAL	Caveat	Precedence PRIORITY
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	2	CONFIDENTIAL		
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	4	FM FCO		
	5	TO PRIORITY TUNIS		
	6	TELNO		
	7	OF 101000Z AUGUST 87		
	8			
	9			
10	YOUR TELNO 168: PRESIDENT BOURGUIBA'S MESSAGES			
11				
12	1. Please seek an audience with the President. You should			
13	explain to him that you have been instructed to convey thanks from			
14	HM The Queen and the Prime Minister for the messages which he			
15	conveyed through you.			
16	2. Please also explain that The Queen shares his deep sense of			
17	regret over these incidents involving innocent British tourists,			
18	adding that she has fond memories of Tunisia following her State			
19	Visit there in 1980.			
20	3. On the Prime Minister's behalf please convey her sense of			
21	shock that the tranquillity of Tunisia was shattered by these			
22	terrorist outrages and her admiration of Tunisian resolve to			
23	prevent a further recurrence. She agrees that it is important to			
24	allay the fears of British tourists contemplating a visit to			
25	Tunisia, and ^{feels sure that} hopes that there will be no long term damaging			
26	effect on the Tunisian tourist trade or on the warm relations			
27	<u>between our two countries</u> with confidence .			
28				
29	HOWE			
/ / /				
/ /				
/				
YYY	Catchword:			
AIN	File number	Dept NENAD	Drafted by (Block capitals) D THOMSON	Telephone no 270 2463
ADDITIONAL	Authorised for Initials Date/time			
VNN	despatch by:			

Jp 0381

MR POWELL

c Sir Robert Armstrong

Rie Ringer
CDP
5/8

ms

Explosions in Tunisia

We so far have no evidence of responsibility for the four explosions at hotels in Tunisia on the night of 2-3 August which injured five British and a number of Italian tourists. But it seems unlikely that specifically British targets were intended: the hotels accommodate a wide range of nationalities. The intention appears to have been to gain publicity, and threaten the important Tunisian tourist industry.

2. The Tunisians have made public assertions of Islamic fundamentalist authorship. This is plausible. Tunisian fundamentalists have not previously mounted attacks on this scale or on foreign targets. But they have become increasingly militant, in the face of vigorous measures against them in recent months by the Tunisian authorities, including the arrest of their leader in March. And Tunisian fundamentalists have been among those arrested this year in Paris on suspicion of involvement (with the Lebanese Hizballah and perhaps Iran) in the Paris bombings last year.

3. We can at this stage neither prove nor rule out an Iranian hand. The Tunisians broke diplomatic relations with Iran in March, alleging Iranian support for fundamentalist subversion. Tunisia is among the targets of general Iranian invective against "unislamic" Arab Governments. But a connection with the recent events in Mecca seems unlikely. Libyan involvement can probably be discounted against the background of Libya's recent attempts to improve its relations with Tunisia. There is no reason to suspect



Palestinian authorship or involvement. Abu Nidhal (AN) may still be an outside possibility. But the attacks do not bear its hallmarks; and an AN hand, if exposed, would undermine its recent political contacts with mainstream Palestinians.

A handwritten signature in blue ink, appearing to be 'P. Cradock', with a horizontal line underneath.

PERCY CRADOCK

5 August 1987

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FM TUNIS
TO FLASH FCO
TELNO 160
CF 031900Z AUGUST 87

MY TELNOS 158 AND 159: BRITISH TOURISTS INJURED IN TUNISIA

1. TUNISIAN PRIME MINISTER (RACHID SFAR) TELEPHONED ME THIS EVENING 3 AUGUST TO ASK ME TO TRANSMIT TO THE PRIME MINISTER HIS DEEP REGRET AT THE INJURY SUFFERED BY THE FOUR BRITISH LADY TOURISTS IN THE BOMB EXPLOSION LAST NIGHT AND PARTICULARLY THE YOUNG LADY (MISS STROCKI) WHOM HE HAD VISITED IN MONASTIR HOSPITAL THIS AFTERNOON. HE KNEW THAT HMG FULLY SHARED THE TUNISIAN GOVERNMENT'S TOTAL REJECTION OF SUCH TERRORIST ATTACKS AGAINST INNOCENT VICTIMS. THE TUNISIAN GOVERNMENT HAD TAKEN ALL POSSIBLE MEASURES TO PREVENT THE RECURRENCE OF SUCH INCIDENTS. FOR EXAMPLE THE CONTROL IN THE HOTELS HAD BEEN GREATLY REINFORCED. AN ENQUIRY WAS IN COURSE. THE TUNISIAN INTERIOR MINISTER WHO WOULD RECEIVE ME TOMORROW, 4 AUGUST, WOULD GIVE ME FURTHER DETAILS.

2. I SAID I WOULD TRANSMIT THIS MESSAGE AT ONCE TO THE PRIME MINISTER. I WAS SURE IT WOULD BE APPRECIATED.

COMMENT

3. MISS STROCKI IS THE LADY WHOSE FOOT WAS AMPUTATED TODAY FOLLOWING THE BOMB EXPLOSION LAST NIGHT AT THE SAHARA BEACH HOTEL, MONASTIR. MY VICE CONSUL WAS WITH MISS STROCKI WHEN PRIME MINISTER SFAR AND OTHER MEMBERS OF THE GOVERNMENT PAID THEIR VISIT.

ADAMS

YYYY
TKLMAN 1670

NNNN





10 DOWNING STREET

CSP. ✓

Yes, thank you
Re. telex at flap. *[Signature]*

FCO say it has been translated and is in fact from the Leader of the Tunisian Leader of the House to our Speaker.

They suggest it is not for us to reply. Content?

[Signature]

20.1.87

SRW

nor / 5 January 1987
ack

I enclose a copy of a telegram which the Prime Minister has received from the President of Tunisia.

I ~~h~~ould be grateful for a formal draft reply by Monday 19 January.

(C. D. POWELL)

C? R. Budd, Esq.,
Foreign and Commonwealth Office.

SRW

the number
dialling instructions

Telegram

for enquiries dial the number
shown in your dialling instructions

British TELECOM

for enquiries dial the number
shown in your dialling instructions

Telegram

for enquiries
shown in

NNNN

02 JAN 1987/0905
ZCZC DLM5632 ZGX2518 1 4/B
TUNIS TLX 104/100 2 0845

MONSIEUR LE PRESIDENT HOUSE OF COMMONS
LONDON RAYAUME UNI
PALACE OF WESTMINSTER
LONDON SW1A 0AA (ROYAUME UNI)

A L OCCASION DU NOUVEL AN IL M EST
AGREABLE DE VOUS ADRESSER TANT EN MON NOM
PERSONNEL QU EN CELUI DES MEMBRES DE LA CHAMBRE
DES DEPUTES MES CHALEUREUSES FELICITATIONS ET MES
MEILLEURS VOEUX DE BONHEUR ET DE SANTE EN
FORMULANT L ESVIR DE VOIR LES RELATIONS
D AMITIE ET DE COOPERATION ENTRE NOS DEUX PARLEMENTS
SE DEVELOPPER DAVANTAGE AU PROFIT DE NOS DEUX RPEUPLES ET
DE LA PAIX DANS LE MONDE

MAHMOUD MESSADI
PRESIDENT DE LA CHAMBRE DES DEPUTES
DE LA REPUBLIQUE TUNISIENNE

COL CKD

R 5/1

FCO for
formal reply pl.
COO
5/1

British TELECOM

for enquiries dial the number
shown in your dialling instructions

Telegram

for enquiries dial the number
shown in your dialling instructions

British TELECOM



Foreign and Commonwealth Office

London SW1A 2AH

15 August 1986

Prime Minister

K

18/8

Dear Tim

MESSAGE FROM TUNISIAN PRIME MINISTER

(dated 7.8.86)

I enclose a message from Mr Rachid Sfar, the new Tunisian Prime Minister, thanking the Prime Minister for her message of congratulation on his appointment in July, and an informal translation.

Yours Sincerely,

David Reddaway

David Reddaway
Private Secretary to
Baroness Young

Tim Flesher Esq
10 Downing Street



INFORMAL TRANSLATION OF MESSAGE OF 7 AUGUST TO THE PRIME MINISTER
FROM THE TUNISIAN PRIME MINISTER

Prime Minister

I received with pleasure the good wishes you sent me on the occasion of my nomination to the post of Prime Minister.

I would like to thank you most warmly, and to assure you of my determination to strengthen still further the excellent relations which exist between our two countries.

(Courtesies)

TUNISIAN EMBASSY



pa

defco

29 PRINCES GATE
LONDON SW7
TEL: 01-584 8117

L'Ambassade de Tunisie à Londres présente ses compliments au Foreign and Commonwealth Office et a l'honneur de lui faire parvenir ci-joint un pli contenant une lettre de remerciements émanant de Son Excellence Monsieur Rachid SFAR, à Son Excellence Madame Margaret THATCHER.

L'Ambassade de Tunisie serait reconnaissante au Foreign and Commonwealth Office de bien vouloir transmettre cette lettre à Madame le Premier Ministre et saisit cette occasion pour lui renouveler l'assurance de sa très haute considération.

Londres, 12 août 1986

Foreign and Commonwealth Office,
London SW1A 2AH





RÉPUBLIQUE TUNISIENNE

Le Premier Ministre

Subject.

cc Master

ops.

Tunis le 7 Août 1986

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T149/86

Madame le Premier Ministre,

J'ai reçu avec plaisir le message de voeux que vous avez bien voulu m'adresser à l'occasion de ma nomination aux fonctions de Premier Ministre.

Il m'est agréable de vous en remercier bien vivement, et de vous assurer de ma détermination de consolider encore davantage les excellentes relations qui existent entre nos deux pays.

Je vous prie de croire, Madame le Premier Ministre, à mes meilleurs hommages ainsi qu'à ma très haute considération.

RACHID SFAR.

S.E. Madame MARGARET THATCHER

- L O N D R E S -



lto
JH
ccr

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

14 July 1986

NEW TUNISIAN PRIME MINISTER

Thank you for your letter of 11 July enclosing a draft message from the Prime Minister to the Tunisian Prime Minister. This may issue.

BF//

C D POWELL

R. N. Culshaw, Esq.,
Foreign and Commonwealth Office

d



Foreign and Commonwealth Office

London SW1A 2AH

11 July 1986

Dear Charles,

New Tunisian Prime Minister

President Bourguiba has appointed Mr Rachid Sfar as Prime Minister in Tunisia to replace Mr Mohamed Mzali, who has served since 1980.

Our Embassy has recommended that the Prime Minister send a message of congratulation to Mr Sfar, who was formerly Minister of Finance and Economy. I enclose a draft in the form of a telegram to Tunis. As Mrs Thatcher has not met the outgoing Prime Minister we do not think that a message to him would be appropriate.

Yours ever

(R N Culshaw)
Private Secretary

C D Powell Esq
No 10 Downing St

OUT TELEGRAM

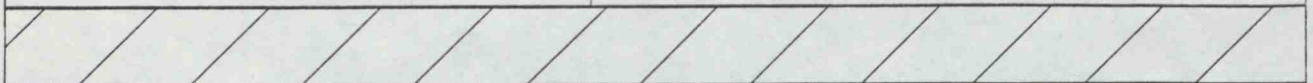
	Classification UNCLASSIFIED	Caveat	Precedence IMMEDIATE
ZCZC	1 ZCZC	<p>10 Your telno 185: MESSAGE TO SFAR</p> <p>11</p> <p>12 1. Please convey the following message from the Prime Minister</p> <p>13 to Mr Rachid Sfar.</p> <p>14 Begins:</p> <p>15 I send you my warmest congratulations on your appointment as</p> <p>16 Prime Minister and wish you every success in the important task</p> <p>17 which you face. I look forward to maintaining and developing</p> <p>18 the excellent relations which exist between our two countries.</p> <p>19 Ends</p> <p>20</p> <p>21 HOWE</p> <p>22</p> <p>23</p> <p>24 YYYY</p> <p>25 MAIN</p> <p>/// 26 LIMITED</p> <p>// 27 NENAD</p> <p>/ 28 PROTOCOL D</p> <p>29 NEWS D</p>	
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OUT TELEGRAM (CONT)

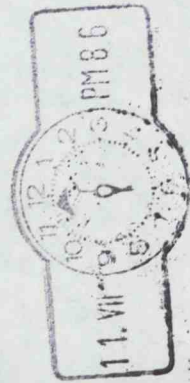
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**SUBJECT CC MASTER
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Filed on TUNISIA Relations FEB 80

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UNCLASSIFIED
OO TUNIS
FM FCOLN TO TUNIS
091500Z JUL
GRS 90

**PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T128C186**

UNCLASSIFIED
FM FCO
TO IMMEDIATE TUNIS
TELNO 115
OF 091500Z JULY 86

YOUR TELNO 185: MESSAGE TO SFAR

1. PLEASE CONVEY THE FOLLOWING MESSAGE FROM THE PRIME MINISTER
TO MR RACHID SFAR.

BEGINS:

I SEND YOU MY WARMEST CONGRATULATIONS ON YOUR APPOINTMENT AS
PRIME MINISTER AND WISH YOU EVERY SUCCESS IN THE IMPORTANT TASK
WHICH YOU FACE. I LOOK FORWARD TO MAINTAINING AND DEVELOPING
THE EXCELLENT RELATIONS WHICH EXIST BETWEEN OUR TWO COUNTRIES.
ENDS

HOWE

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PS/MR RENTON.

MR FERGUSSON

SIR D. MIERS.

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Subject

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master"

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OCMIAN 2229
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DD 062000Z TUNIS
FM FCOLN TO TUNIS
061810Z DEC
GRS 200

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T227185

RESTRICTED
FM FCO
TO DESKBY 062000Z TUNIS
TELNO 183
OF 061810Z DECEMBER 85
AND TO DESKBY 062000Z ALGIERS

TUNIS TELNO OTTER 87: SAKMO

1. THE FOLLOWING IS THE AGREED TEXT OF THE MESSAGE FROM THE
PRIME MINISTER TO BE TAILORED FOR DELIVERY IN EACH COUNTRY.
BEGINS:

MY EARLIER MESSAGE IN SUPPORT OF THE BRITISH BID FOR THE TUNISIAN/
ALGERIAN SAKMO PROJECT STRESSED THE IMPORTANCE THAT I ATTACH TO
OUR ECONOMIC RELATIONS AND THE CONTRIBUTION WHICH THE AWARD OF
THIS PROJECT CONTRACT TO A UK CONSORTIUM COULD MAKE TO A FURTHER
STRENGTHENING OF THESE RELATIONS.

I UNDERSTAND THAT A FINAL DECISION IS NOW IMMINENT AND THAT, AS
A RESULT OF VERY RECENT PROPOSALS, FROM ANOTHER BIDDER, THE
PROJECT HAS INCREASED SIGNIFICANTLY IN SIZE. MY GOVERNMENT IS
ACCORDINGLY PREPARED TO INCREASE ITS AID OFFER IN LINE WITH THIS
INCREASE IN PROJECT SIZE, AND HM AMBASSADOR HAS BEEN INSTRUCTED
TO CONVEY DETAILS TO YOUR AUTHORITIES. I HOPE VERY MUCH THAT
THIS IMPROVED OFFER WILL PROVE ATTRACTIVE TO YOUR GOVERNMENT
AND LAY THE BASE FOR A SATISFACTORY OUTCOME FOR BOTH OUR COUNTRIES.
ENDS.

WITH BEST WISHES, MARGARET THATCHER.
HOWE

LIMITED
NENAD
TRED
PS
PS/MR RENTON
PS/PUS
MR FERGUSSON
MR EGERTON

COPIES TO:
MR SMITH, OT4/DTI
MR WALSGROVE, MNED/ODA

RESTRICTED



Amend
no

sent
10 DOWNING STREET

Prime Minister

Agree to send

this message to the

President of Algeria

and Tunisia? It's said

to be the only

chance of saving a

British bid for a

diesel engine factory,

upset by a late

Italian offer. If you

agree, I will get it

sent by telegram. CDP

My earlier message in support of the British bid for the Tunisian/Algerian SAKMO project stressed the importance that I attach to our economic relations and the contribution which the award of this project contract to a UK consortium could make to a further strengthening of these relations.

I understand that a final decision is now imminent and that, as a result of very recent proposals, from another bidder, the project has increased significantly in size. My Government is accordingly prepared to increase its aid offer in line with this increase in project size, and HM Ambassador has been instructed to convey details to your authorities. I hope very much that this improved offer will prove attractive to your Government and lay the base for a satisfactory outcome for both our countries.

Agreed



File
OAT AFE

10 DOWNING STREET

From the Private Secretary

6 December 1985

SAKMO JOINT TUNISIAN ALGERIAN DIESEL ENGINE FACTORY

Thank you for your letter of 6 December enclosing a draft message from the Prime Minister to the Presidents of Algeria and Tunisia in support of Lister-Petters bid for a diesel-engine project.

The message may be sent as proposed.

BF // I am copying this letter to Peter Ricketts (Foreign and Commonwealth Office), Rachel Lomax (HM Treasury) and to Martin Dinham (Overseas Development Administration).

(CHARLES POWELL)

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

DBS



DEPARTMENT OF TRADE AND INDUSTRY
1-19 VICTORIA STREET
LONDON SW1H 0ET

TELEPHONE DIRECT LINE 01-215 5422
SWITCHBOARD 01-215 7877

PS/ Secretary of State for Trade and Industry

6 December 1985

C Powell Esq
Private Secretary to
the Prime Minister
10 Downing Street
LONDON
SW1

Dear Charles,

SAKMO JOINT TUNISIAN ALGERIAN DIESEL ENGINE FACTORY

HM Ambassador in Tunis, with the support of the Head of the Diplomatic Service (at present in Tunis), has strongly recommended a message from the Prime Minister to the Prime Ministers of Tunis and Algeria in support of a Lister-Petters Limited (Hawker Siddeley Group) bid for a major Algerian/ Tunisian diesel engine project. The customer is reported to have decided yesterday in favour of a competitive Italian offer and expected to announce the decision on Monday. The Ambassador's advice is that a Prime Ministerial message, sent today for delivery tomorrow, is practically the only prospect of reversing the decision.

2 The Prime Minister is aware of the background to this project and sent a message in support of the company's bid in June. Your letter of 4 June to Andrew Lansley authorised its despatch.

3 British and Italian tenders were resubmitted to SAKMO on 26 November but at the very last minute the Italians have improved their offer to include two additional years supply of CKD kits for the factory, effectively increasing the total package value from £65 million to £88.5 million with a matching improvement in their concessionary finance (both more and softer terms). Ministers here are willing to match this Italian move by increasing the existing ATP offer from £16.296 million to £22.22 million (which would not entail increasing the grant element beyond the present 25.1%). ODA and Treasury would see no objection; and ECGD could accommodate the commensurate increase in their cover.

4 Ministers here recommend that the Prime Minister should send a further message on the lines of that attached. As noted above, HM Ambassador in Tunis would need to deliver this tomorrow.

DW5AEG



5 I am copying this letter to the Private Secretaries to the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer and the Minister for Overseas Development.

*Yours ever,
Michael*

MICHAEL GILBERTSON
Private Secretary

DW5AEG

My earlier message in support of the British bid for the Tunisian/Algerian SAKMO project stressed the importance that I attach to our economic relations and the contribution which the award of this project contract to a UK consortium could make to a further strengthening of these relations.

I understand that a final decision is now imminent and that, as a result of very recent proposals, from another bidder, the project has increased significantly in size. My Government is accordingly prepared to increase its aid offer in line with this increase in project size, and HM Ambassador has been instructed to convey details to your authorities. I hope very much that this improved offer will prove attractive to your Government and lay the base for a satisfactory outcome for both our countries.

CONFIDENTIAL



10 DOWNING STREET

From the Private Secretary

6 June 1985

POSSIBLE VISIT OF PRESIDENT BOURGUIBA OF TUNISIA

Thank you for your letter of 5 June about the visit here by President Bourguiba.

As you can well imagine, the Prime Minister was not very pleased to have been bypassed in the exchange of correspondence between the Foreign and Commonwealth Office and the Palace about this visit and hopes that it will not happen again. The dates in question are not at all convenient for the Prime Minister but she could see President Bourguiba briefly on 26 June at 1115.

CHARLES POWELL

Peter Ricketts, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL

CONFIDENTIAL

ack
①

Prime Minister



Foreign and Commonwealth Office

London SW1A 2AH

The FCO have fallen down badly by consulting the Palace before seeking your views. They deserve a stern letter.

5 June, 1985

Dear Charles, since the Queen has now agreed to give President Bourguiba lunch, agree to a short meeting with him?

Possible Visit of President Bourguiba of Tunisia

I mentioned to you on the telephone the renewed expressions of interest we have had from the Tunisians about a visit here late in June by President Bourguiba.

CJP
5/6.

It appears that at the ceremony on 9 May to unveil the statue of Earl Alexander of Tunis, the Tunisian Charge d'Affaires mistook a polite remark by The Queen as an indication that we were ready to invite President Bourguiba to Britain following his forthcoming visits to France and the United States. Our Ambassador in Tunis reported on 20 May that the US Ambassador in Tunis had been told by the Tunisian Ministry of Foreign Affairs that President Bourguiba was planning to visit London after his visit to the US, possibly on 27 June. Finally, when the Tunisian Ambassador called at the FCO on 31 May, he said that President Bourguiba greatly appreciated "the invitation to visit the UK", and that depending on his health, he would be delighted to come to London.

We interpret these signals as unmistakable expressions of Tunisian interest in a visit by the President to London on what may well prove to be his last major foreign excursion. Sir Geoffrey Howe fully appreciates the pressures on the Prime Minister's programme in the next few weeks and has indeed previously sought to discourage the Tunisians from pursuing the idea. But now that they have returned to the charge, under the impression that The Queen has indicated that she would be glad to receive the President, Sir Geoffrey Howe believes that the Prime Minister would wish to consider whether, despite her very full programme, she would be able to fit in a short call by the President if The Queen is able to receive him. A half hour call is all that would be necessary. I realise that the proposed timing is on the eve of the European Council; if the Prime Minister could manage half an hour on 26 or 27 June we are sure the Tunisians would adjust the President's itinerary to fit in. As you know,

CONFIDENTIAL

/Sir Antony Acland



Sir Antony Acland spoke informally to Sir Philip Moore at the end of last week to establish whether in principle The Queen's diary would permit a call at the time proposed by the Tunisians. At Sir Philip's request he followed this up in writing: copy enclosed. I apologise that this letter went forward before the Prime Minister had been consulted.

President Bourguiba recalls with pride the success of The Queen's visit to Tunisia in October 1980. He is now very old (86) and frail, but if the Prime Minister, whom he greatly admires, were able to receive him, the gesture would of course give enormous pleasure to him and the people of Tunisia.

I should be grateful if you could let me know whether a call would be possible and if so, which timing would be most convenient.

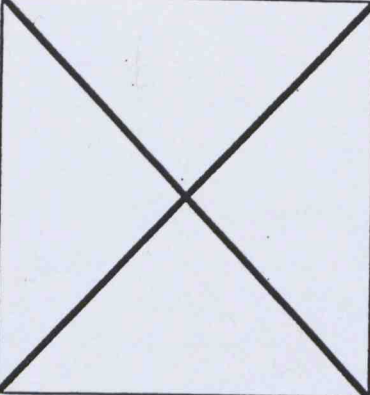
Yours ever,

Peter Ricketts

(P F Ricketts)
Private Secretary

C D Powell Esq
10 Downing Street

A The National Archives

DEPARTMENT/SERIES	Date and sign
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Use black or blue pen to complete form.

Use the card for one piece or for each extract removed from a different place within a piece.

Enter the department and series,
eg. HO 405, J 82.

Enter the piece and item references, .
eg. 28, 1079, 84/1, 107/3

Enter extract details if it is an extract rather than a whole piece.

This should be an indication of what the extract is,

eg. Folio 28, Indictment 840079, E107, Letter dated 22/11/1995.

Do not enter details of why the extract is sensitive.

If closed under the FOI Act, enter the FOI exemption numbers applying to the closure, eg. 27(1), 40(2).

Sign and date next to the reason why the record is not available to the public ie. Closed under FOI exemption; Retained under section 3(4) of the Public Records Act 1958; Temporarily retained; Missing at transfer or Number not used.

cc P. C.

UCZADY



10 DOWNING STREET

From the Private Secretary

4 June 1985

TUNISIA: DIESEL ENGINE PROJECT

Thank you for your letter of 31 May, proposing a message of support from the Prime Minister on behalf of Petters Limited for a diesel engine contract in Tunisia.

The Prime Minister agrees to a slightly revised message as follows:

"As you know, HMG strongly support the British firm, Petters, in their bid for the important Tunisian/Algerian SAKMO diesel engine project and indeed have made available a conditional, matching, concessional offer specifically tied to that project. We have long been anxious to inject greater substance into economic relations between Britain and Tunisia in order to balance the excellent political relations existing between us. I believe that the SAKMO project, of whose long term political and economic significance we are aware, offers an excellent opportunity for this and for creating a climate of confidence in industrial and financial circles in both countries.

With best wishes. Margaret Thatcher"

This should be telegraphed to our Embassy in Tunis.

I am copying this letter to Peter Ricketts (Foreign and Commonwealth Office) and Michael McCulloch (Overseas Development Administration).

C.D. POWELL

Andrew Lansley, Esq.,
Department of Trade and Industry.

ls

CPC



DEPARTMENT OF TRADE AND INDUSTRY
1-19 VICTORIA STREET
LONDON SW1H 0ET 5422
TELEPHONE DIRECT LINE 01-215
SWITCHBOARD 01-215 7877

PS/
Secretary of State for Trade and Industry

31 May 1985

Charles Powell Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1

Prime Minister (1)

Agree subject to drafting
changes suggested?

AT
31/5

Yes

Dear Charles,

TUNISIA : DIESEL ENGINE PROJECT

Our Ambassador in Tunis has submitted an urgent request for a Prime Ministerial letter of support on behalf of Petters Limited who are bidding against strong Italian and West German competition for a £60m contract to build a diesel engine plant in Tunisia to serve both the Tunisian and Algerian markets.

2 There is a strong commercial and industrial case for a Prime Ministerial message of endorsement for Petters bid which is supported by a conditional matching offer of aid and trade provision. Mr Tebbit has approved the following message which our Ambassador would need to be in a position to deliver on Monday when he hopes to be offered an appointment with the Tunisian Prime Minister. Our Ambassador in Algiers would deliver a message in the same terms to the responsible Algerian Minister:

A/ "As you know, HMG strongly support the British firm, Petters, in their bid for the important Tunisian/Algerian SAKMO diesel engine project and indeed have made available a conditional, matching, concessional offer specifically tied to that project. We have long been anxious to inject greater substance into ~~the~~ ^{between Britain and Tunisia's} Anglo-Tunisian economic relations, in order to balance the excellent political relations existing between us. I believe that the SAKMO project, of whose long term political and economic significance we are aware, offers ~~the~~ an excellent ~~best~~ opportunity for this and for creating a climate of confidence in industrial and financial circles in both countries. I hope very much to be able to meet you on some mutually convenient occasion."

/B-

JH2ARV



3 I would be very grateful if you can obtain the Prime Minister's approval for our Ambassadors in both countries to act accordingly.

4 I am copying this letter to Peter Ricketts (FCO), M C McCulloch (ODA) and to Richard Hatfield (Cabinet Office).

*Your ass.
A. Lansley*

ANDREW D LANSLEY
Private Secretary

CONQUEROR

JH2ARV

ENC



TUNISIA: SAKMO DIESEL ENGINE PROJECT

A UK consortium led by Petters Ltd on behalf of Hawker Siddeley Group including Listers Ltd, PA Consultants and various UK training organisations is bidding for a joint Tunisian/Algerian project to establish a factory on the Tunisian side of the Algerian border to build low-powered diesel engines to meet agricultural and industrial requirements in both countries. Planned production is 25,000 units within four years of start-up expanding to 35,000 units after three years thereafter. Excluding local content, design and construction of the factory including consultancy, equipment and training would be worth £60 million to the UK consortium. Initially the factory would assemble CKD kits from the UK, worth £25.6 million in the first three years.

2 A successful bid would bring significant industrial and commercial benefits. The consortium is offering a modern UK-designed diesel engine, developed with support under the SFI scheme. Not only would the SAKMO contract provide a useful continuing base load for UK factories (including other component sub-contractors) but would also offer a useful reference for similar licensing/local construction business elsewhere in the world. The consortium calculates that equipment for the Tunisian factory would generate some 1,000 man years for the supply of CKD kits, other components and services from the licensor. The training package associated with the project would generate work for a further 600-1,000 people during construction.

3 The potential commercial advantages are equally strong. The Algerian and Tunisian Governments are clearly determined that the project should go ahead and will provide tariff protection against competitive imports once the factory is operational. The prospect is, therefore, between seeking to ensure that local production is based on UK designs with a continuing requirement for UK technology and components etc, and being excluded from two potentially lucrative and expanding agricultural and industrial markets. A successful joint venture in the diesel engine field should generally assist other UK exports to both markets.

4 A conditional matching Aid and Trade Provision offer has been made by HMG to the Tunisian and Algerian Governments.

5 The UK consortium is already shortlisted as are Italian and West German competitors. The Italian Government in particular are using their strong traditional links with Tunisia to try to secure the contract for the Italian bidder.

6 HMA Tunis has recommended with strong FCO backing that a letter in support of the UK consortium would significantly strengthen their chances of success. Tunisian Ministers are due to meet



to discuss the project on 8 June. The Tunisian Prime Minister is likely to have the decisive voice in the award of the contract and our Ambassador has asked to see him early next week. This meeting would be the occasion for delivery of our Prime Minister's message.

23 APR 1985

31 MAY 1985

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bc PC

10 DOWNING STREET

From the Private Secretary

16 April 1985

Tunisia: Invitation to the Prime Minister of Tunisia to
Visit the United Kingdom

Thank you for your letter of 15 April in which you convey the Foreign Secretary's recommendation that Mr. Luce should invite the Tunisian Prime Minister to make an early visit to London.

The Prime Minister is concerned that the number of Heads of Government invited to London for later this year is becoming unmanageable, particularly now that King Fahd has suggested that he might come before the end of the year. She does not think that Tunisia enjoys very high priority. She would, therefore, prefer Mr. Luce to avoid suggesting that an early visit would be convenient. In practice, were it to turn out that M. Mzali wanted to stop in London for a short meeting with the Prime Minister on his way somewhere else, this could probably be arranged.

(C.D. Powell)

L.V. Appleyard, Esq.,
Foreign and Commonwealth Office.

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cc/le ①

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Prime Minister

Foreign and Commonwealth Office

London SW1A 2AH

I am worried that we are over-filling the programme with foreign visitors later this year: and this is pretty low priority.

15 April, 1985

Dear Charles,

Agree that I should tell the FCO that you cannot manage it

Tunisia: Invitation to the Prime Minister of Tunisia to

Visit the UK

Yes - we have not considered whether this year? CAP 15/4

In June 1982 the Tunisian Foreign Minister issued invitations to the Prime Minister and the Foreign and Commonwealth Secretary to visit Tunisia. In April 1983 Mr Hurd responded with an invitation on behalf of the Prime Minister to M. Mzali, the Prime Minister of Tunisia, to visit Britain. Sir Geoffrey Howe has been considering what line Mr Luce should take when he is in Tunis from 2 until 4 May. The Tunisians are likely to press again for an early visit by the Prime Minister.

Should go to the U.K. for the 40th anniversary

Our relations with Tunisia are harmonious but thin. Our share of Tunisia's import market is small and our efforts are eclipsed by the large aid programme of France, Italy, Germany and the United States. Nevertheless, we maintain a useful dialogue with Tunisia on political topics, especially the internal situation in its neighbour, Libya. Our main objective is to reassure the Tunisians that we do not take for granted their Western alignment. We and our allies are concerned about the risk of a shift in that alignment when President Bourguiba (ailing and in his eighties) dies. The Tunisians are understandably anxious about Libyan intentions. Sir Geoffrey Howe believes that we should show the Tunisians that they have our support in facing Qadhafi.

We must keep that in mind, out

M. Mzali, who has been Prime Minister since 1980, is the established presumptive successor to President Bourguiba. Sir Geoffrey Howe believes that it would be very much in our interests to have had personal contact at the highest level with M. Mzali before he takes over from President Bourguiba. In view of the other higher claims on the Prime Minister's overseas visiting programme, Sir Geoffrey Howe does not think that a visit to Tunisia by the Prime Minister should have high priority. But he suggests that Mr Luce

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/might

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might tell the Tunisians that the Prime Minister's diary is unlikely to permit a visit to Tunisia for the foreseeable future: and that we therefore hope that it will be possible for us to receive M. Mzali soon in London. If M. Mzali did not feel able to devote time to a full official programme in the near future, we would be glad to arrange a meeting with the Prime Minister and other engagements during an informal working visit at a mutually convenient time when he was visiting Europe or on his way to the United States, as we have recently done for President Mubarak.

Would the Prime Minister be content that Mr Luce should speak on these lines?

Yours ever,

Len Appleyard

(L V Appleyard)
Private Secretary

C D Powell Esq
10 Downing Street

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10 DOWNING STREET

From the Private Secretary

13 November 1984

Tunisia: Contingency Plans for Death
of President Bourguiba

Thank you for your letter of 12 November setting out contingency plans in the event of President Bourguiba's death.

The Prime Minister agrees to send a message to her Tunisian counterpart in the terms of the draft enclosed with your letter. This should be retained by the Foreign Office for despatch at the appropriate moment.

The Prime Minister also agrees that Sir Geoffrey Howe or another senior Cabinet Minister should attend President Bourguiba's funeral.

(C.D. POWELL)

P.F. Ricketts, Esq.,
Foreign and Commonwealth Office.

CD
CCE

Foreign and Commonwealth Office

London SW1A 2AH

Prime Minister

Agree on a contingency basis:

12 November 1984

(a) message to Tunisian Prime Minister Yes

(b) senior Sir Geoffrey Howe or another senior cabinet minister to attend Yes

Dear Charles, funeral

if Bourguiba dies suddenly? CDP 12/11

Tunisia: Contingency Plans for Death of President Bourguiba

President Bourguiba has suffered a heart attack and has been hospitalised. He is in his early 80s and although he has been leading a relatively active public life he is said to be in a fragile physical state suffering from advanced senility.

President Bourguiba became the Tunisian Head of State in July 1957 a year after Tunisia gained its independence and abolished the Monarchy. He has been at the head of the ruling Parti Socialiste Destourien, and as such leader of the Tunisian people, for fifty years. He is the most senior Arab Head of State.

The succession to President Bourguiba has for some time been a major preoccupation in Tunisian politics. The present constitution foresees the Prime Minister assuming the Presidency, but this formula could be replaced by presidential elections. In either case the candidates most likely to be acceptable to the main political groupings, the present Prime Minister, Mohammed Mzali, and the present Foreign Minister, Caid Essebsi, are likely to adopt the same moderate pro-West policies as those promoted hitherto by President Bourguiba.

Anglo-Tunisian relations traditionally have been friendly but insubstantial since Tunisian independence in 1956. There have been fairly regular exchanges of Ministerial visits and The Queen paid a State Visit to Tunisia in 1980. In a post-Bourguiba era we shall need to encourage a successor administration to maintain their moderate and pro-West policies and to develop links with the UK. The Libyans are likely to try to exploit the uncertainty after Bourguiba's death to promote Qadhafi's ambition of making Tunisia subservient to Libya. The Tunisians will be looking to the West for moral and material support.

We consider that it would be right for the Prime Minister to send a message of sympathy to her Tunisian opposite number when the President dies. We are recommending separately

/that

Office of the Secretary of State

London, W1A 1AA



12 NOV 1984

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that The Queen should send a similar message; (She sent a message of good wishes over the weekend, at our Ambassador's suggestion).

We would also need to make appropriate arrangements for British representation at any funeral ceremony. Interment would be likely to take place within 36 hours of his death. We therefore think it would be prudent to make contingency plans in advance. Firm information about the form of the ceremony is unlikely to be available until President Bourguiba's actual death. However in view of Bourguiba's long presidency and his standing as an elder statesman, it is likely that Heads of State and/or other senior government representatives from many Western, Eastern and Third World states would decide to attend the funeral.

Sir Geoffrey Howe recommends that either he or if he is unavailable another senior Cabinet Minister should represent HMG at any public funeral ceremony. Apart from its value as a signal of the importance we attach to Tunisia attendance by a Cabinet Minister would also be an opportunity for informal meetings with leading dignitaries from other countries.

In view of the visits to Tunisia by Queen Elizabeth, the Queen Mother in 1961, the Queen's State Visit in 1980, and Prince Philip's visit in 1982, it would be appropriate for The Queen to be represented at a funeral ceremony. We have recommended in this sense to Buckingham Palace.

Y
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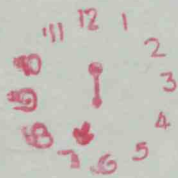
Peter Ricketts

(P F Ricketts)
Private Secretary

C D Powell Esq
 10 Downing Street



12 NOV 1946



MESSAGE FROM THE PRIME MINISTER

- (i) SYMPATHY ON DEATH OF PRESIDENT BOURGUIBA TO HIS EXCELLENCY M. MOHAMED MZALI, PRIME MINISTER OF THE REPUBLIC OF TUNISIA

'I send you my profound condolences on the death of President Bourguiba. As the father of his nation he established for Tunisa a valued place in world affairs. Please convey my sympathies to his family.

Margaret Thatcher.'

Handwritten signature

Tunisia



Tunisia

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TO PRIORITY FCO

TELEGRAM NUMBER 122 OF 17 MAY

INFO PRIORITY ALGIERS RABAT PARIS AND WASHINGTON

TUNISIA/ LIBYA

THE TUNISIAN GOVERNMENT YESTERDAY RECALLED ITS HIGH COMMISSIONER (AMBASSADOR) FROM TRIPOLI. IN ITS ANNOUNCEMENT , THE GOVERNMENT SAYS THAT DESPITE ITS WISH TO MAINTAIN RELATIONS ON A GOOD NEIGHBOUR BASIS, IT HAS MET A CONSTANT SERIES OF MEDIA ATTACKS AGAINST TUNISIA, ITS LEADER AND REGIME, AND A CEASELESS DETERMINATION TO IMPLICATE TUNISIA IN EVENTS IN TRIPOLI WHICH ARE OF A PURELY INTERNAL NATURE. THE CONTINUED DETENTION OF THREE TUNISIAN FRONTIER GUARDS IS ALSO QUOTED. THE STATEMENT ENDS WITH THE HOPE THAT LIBYA WILL REALISE THE SERIOUSNESS OF ITS BEHAVIOUR AND NOT CAUSE RELATIONS TO DETERIORATE FURTHER.

2. TUNISIAN OFFICIALS HAVE SAID THAT THE GESTURE IS INTENDED TO BE PERCEIVED IN TRIPOLI AS A SERIOUS REACTION TO CONTINUED PROVOCATION, AND NOT A FIT OF PIQUE.

3. THE FRENCH ECOLE SUPERIEURE DE GUERRE (RCDS EQUIVALENT) IS CURRENTLY VISITING TUNIS, AND WILL MAKE A TOUR TO-DAY ON THE SOUTHERN BORDER , WHERE THERE IS CONSIDERABLE TENSION. THE TUNISIANS HAVE TOLD OUR FRENCH COLLEAGUES THAT THEY WISH TO MAKE A CONSPICUOUS EVENT OF THIS TOUR, RATHER THAN ALLOW IT TO BE SEEN FOR THE COINCIDENCE THAT IT IS. THEY ARE ADOPTING THE SAME ATTITUDE TOWARDS THE ARRIVAL OF THREE FRENCH WARSHIPS, ALSO COINCIDENTAL, IN GABES TO- DAY.

4. THIS IS UNACCUSTOMED FIRMNESS ON THE PART OF THE TUNISIANS VIS-A-VIS COLONEL QADHAFI, AND IT IS IN LINE WITH THE VIEWS EXPRESSED TO MR LUCE LAST WEEK.

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PS
PS/MR LUCE
PS/PUS
SIR J LEAHY
MR WRIGHT
MR ADAMS
MR EGERTON
MR MILES
BUCKINGHAM PALACE

THIS TELEGRAM
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ADVANCED

COPIES SENT TO
No. 10 DOWNING STREET

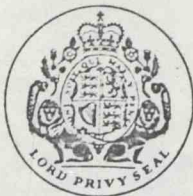
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*With the Compliments
of the
Lord Privy Seal*

A. J. C. - $\frac{29}{3}$

h. a.



PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

29 March 1984

Dear Geoff,

The Tunisian Ambassador, His Excellency Sadok Bouzayen paid a courtesy call on me on Tuesday 27 March. He made various points which I undertook to convey to you and the other responsible Ministers.

Mr Bouzayen expounded his view that Tunisia should maintain and reinforce her friendly relationship with the Members of the Western Alliance in general, and the United Kingdom in particular, in the belief that their support would aid the future evolution of a democratic multi-party system after the demise of Habib Ben Ali Bourgiba, the current President. In this context, he suggested that the following steps, which would be most welcome to the Tunisian Government, might be considered:

- a) the Foreign and Commonwealth Office might take an initiative to enhance UK/Tunisian relations in the light of the Tunisian desire to foster closer links with the non French-speaking west;
- b) the Department of Trade and Industry to consider arranging a high level trade visit to Tunisia, which Mr Bouzayen thought could be of great mutual benefit;
- c) No 10 Downing Street to examine the possibility of an early Prime Ministerial visit.

On a Party rather than Governmental note, I should also mention that the Ambassador expressed a desire for the establishment, by Conservative Central Office, of a programme of reciprocal visits between Conservative Politicians both in and out of Parliament and their Tunisian counterparts. No doubt John Gummer will examine this suggestion.

I am copying this letter to the Prime Minister, the Secretary of State for Trade and Industry, the Chairman of the Party and the Chief Whip, whom I believe has also received a visit from the Ambassador.

*Yours
John Biffen*

JOHN BIFFEN

The Rt Hon Sir Geoffrey Howe QC MP
Secretary of State
Foreign Office



29 MAR 1984



With the compliments of

PROTOCOL AND CONFERENCE DEPARTMENT
VISITS SECTION

FOREIGN AND COMMONWEALTH OFFICE
LONDON SW1A 2AH

Mr Gibbs

1. I have arranged the following programme for Monsieur Mohamed Mohsen Rehim of the Tunisian Prime Minister's Office:

Friday 20 May

1030 Mr Gibbs
Courtesy call

Monday 23 May

1200 Mr Gordon
General discussion of programme

1300 Lunch with Mr Gordon

1430 Mr Hall
Prime Minister's official visits overseas and participation
international conferences

1600 Mr Flescher, 10 Downing Street
Prime Minister's official visits within the UK

Tuesday 24 May

1000 Mr Coombe
Official visits of Prime Ministers to the UK

1030 Miss Reid, Miss Hutchison and Mr Burrough
Further discussion of above

1130 Miss Bannerman
Reception arrangements for Prime Ministers

1430 Col Durrant
Security aspects of Prime Ministers' visits to UK and of the
British Prime Minister's visits overseas

J Reid (Miss)
Inward Visits and Royal Matters
Section
Protocol and Conference Department
SG/104 273 3582

18 May 1983

cc: Mr Gordon
Mr Coombe
Mr Hall
Col Durrant
Mr T Flescher, 10 Downing Street

TXA 400/10

29 April 1983

His Excellency
Monsieur Sadok Bouzayen
Tunisian Embassy
29 Prince's Gate
London SW7 1QG

Thank you for your letter of 15 March about the proposed visit of Monsieur Mohamed Mohsen Rehim to Protocol and Conference Department. I am sorry that it has taken so long to get you a substantive reply.

I now write to suggest a programme which would include talks with Mr R D Gordon, Assistant Head of Protocol and Conference Department in charge of Inward Visits and Overseas Conferences, Mr D L S Coombe, Head of Visits Section, Mr M M Hall, Head of Conferences Section, and Colonel P A W G Durrant, who is in charge of Security. Also Mr T Flesher, one of the Private Secretaries at 10 Downing Street, will be pleased to see Monsieur Rehim to discuss the Prime Minister's visits within the United Kingdom.

These appointments will form the basis of a programme which will last approximately two days and the most convenient dates would be between 19 and 26 May.

I look forward to hearing from you which dates would best suit Monsieur Rehim in that period and to meeting him before he starts on his programme.

E H B Gibbs
Vice Marshal of the
Diplomatic Corps

bcc:

T Flesher Esq, 10 Downing Street

Taja
Toniva file

CF Pps?



10

3/5

With the compliments of

PROTOCOL AND CONFERENCE DEPARTMENT

**FOREIGN AND COMMONWEALTH OFFICE
LONDON, SW1A 2AH**



file

BTC.

10 DOWNING STREET

From the Private Secretary

19 April 1983

Thank you for your letter of 15 April to John Coles about the forthcoming visit of M. Mohamed Mohsen Rehim of the Tunisian Prime Minister's office. Since I am responsible for the arrangements for the Prime Minister's official visits within the United Kingdom, it would be appropriate for me to see M. Rehim. I suggest therefore that the Protocol and Conference Department cover those aspects of M. Rehim's interest relating to the Prime Minister's participation in international meetings and conferences and, together with one or two of my colleagues in No. 10, I cover the rest.

Perhaps the Protocol and Conference Department could be in touch with me to discuss possible dates for M. Rehim's visit.

(Timothy Flesher)

John Holmes, Esq.,
Foreign and Commonwealth Office

dfg

Jul

19 April 1983

POSSIBLE VISIT TO LONDON BY
TUNISIAN PRIME MINISTER

Thank you for your letter of 18 April.

The Prime Minister agrees that Mr. Mzali should be invited to London in late 1983 or 1984 and that Mr. Hurd should deliver the invitation, subject to agreement on convenient dates, when he visits Tunis this week.

A. J. COLES

John Holmes, Esq.,
Foreign and Commonwealth Office.



Prime Minister

Agree in principle to invite Foreign and Commonwealth Office
 Tunisian Prime Minister to visit London SW1A 2AH
 the U.K. in late 1983 or 1984?

18 April 1983

Yes
 A-2C 15/4

Dear John,

Possible Visit to London by Tunisian Prime Minister, Mohamed Mzali

During the course of a courtesy call by the Tunisian Ambassador on Mr Hurd on 12 April, the Ambassador asked whether, whilst Mr Hurd was in Tunis for the inaugural meeting of the British-Tunisian Joint Commission (20-22 April), there was any possibility of an invitation being extended to Mohamed Mzali, the Tunisian Prime Minister, to visit London in the near future.

This is something we have had in mind for some time. Our relations with Tunisia are good and we are striving to increase our bilateral trade and defence sales with Tunisia. There have been fairly regular ministerial visits in both directions in recent years and the establishment of the British-Tunisian Joint Commission will help to thicken our relations further. An invitation to Mzali to visit London would help cement our good relations even further.

Mzali has been the Prime Minister of Tunisia for the last three years. He has so far done well as Prime Minister. The style of government changed almost at once after his appointment as Mzali introduced his policy of 'overture'. His liberalism led to a toleration of political opposition, a democratic reorganisation of the trade union movement and a genuine, if not wholly successful, effort to improve living conditions for the poorer classes. He is personally popular in Tunisia and apart from being an accomplished politician he is a distinguished intellectual and an effective orator. He is most likely to succeed Bourguiba as the next President of Tunisia; as such he would ensure the continuity of Tunisia's basically pro-Western stance and her overall moderation.

/I should

CONFIDENTIAL



I should be grateful to know whether the Prime Minister would in principle be prepared to invite Mzali to London, possibly late in 1983 or in 1984, and if so whether Mr Hurd might put forward an invitation, subject to mutually convenient dates being agreed subsequently, when he visits Tunis next week.

Your ever

J E Holmes

(J E Holmes)
Private Secretary

A J Coles Esq
10 Downing Street

CONFIDENTIAL



As Encl
would you like to take
it on

Foreign and Commonwealth Office

London SW1A 2AH

15 April 1983

Dear Sir,

The Tunisian Ambassador in London has asked the Head of Protocol and Conference Department if it would be possible to arrange a training visit for Monsieur Mohamed Mohsen Rehim, who has recently joined the Tunisian Prime Minister's office to deal specifically with protocol matters.

The Ambassador has informed us that M. Rehim is interested in the structure and general work of Protocol Department. Given his responsibilities in the Prime Minister's office, however, he would also like advice about the Prime Minister's activities at home (specifically visits made within the country) as well as abroad. He would be particularly interested in arrangements made for the Prime Minister's official visits and participation in international conferences, and in the security measures for the travel of the Prime Minister.

Protocol and Conference Department propose to arrange a programme for M. Rehim within the Department which will deal with most of the topics of interest to him. But we will not be able to cover the Prime Minister's activities within the United Kingdom in any useful detail and I wonder whether someone in No 10 would be prepared to discuss this with M. Rehim.

It would appear from the Ambassador's letter that M. Rehim is able to visit London at any time and if you wish to propose suitable dates, say later this month or May, we shall be happy to arrange his programme accordingly.

Yours ever

(J E Holmes)
Private Secretary

A J Coles Esq
10 Downing Street

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With the compliments of

**PROTOCOL AND CONFERENCE DEPARTMENT
VISITS SECTION**

**FOREIGN AND COMMONWEALTH OFFICE
LONDON SW1A 2AH**

TUNISIAN EMBASSY



29 PRINCES GATE
LONDON SW7
TEL: 01-584 8117

London 27th 1983

MONSIEUR MOHAMED MOHSEN REHIM
PROTOCOL OFFICER
TUNISIAN PRIME MINISTER S OFFICE

Handwritten initials or mark.

3/3

Dear Sir,

I would like, befor I leave your wonderful capital, to thank you a lot for your kindness and your hospitality.

Handwritten initials and date: 3/3

Please convey my best regards to Mr M Hall and to Mr T Flescher, they were extremely kind with me.

Sincerely yours

Handwritten signature of Mohamed Mohsen REHIM.

Mohamed Mohsen REHIM

Mr R D GORDON
Assistant Head of Protocol
and Conference Department

OK

file

TUNISIA

288

8 January 1983

The Prime Minister has asked me to thank you for your letter of 23 December enclosing a letter from the Prime Minister of Tunisia.

A. J. COLES

His Excellency Monsieur Sadok Bouzayen.

Lo

CC MASTER
OPS.

PRIME MINISTER'S

PERSONAL MESSAGE

SERIAL No. T 245/82.

29 PRINCES GATE

LONDON SW 7

TEL: 01 - 584 8117



TUNISIAN EMBASSY

N° /Prot.

MK/DP

London, 23rd december 1982

Dear Minister,

I have the honour of enclosing herewith a letter from the Tunisian Prime Minister, Monsieur Mohamed Mzali in response to the kind message, you conveyed to him following the flood which lately affected some of the Tunisian Provinces.

With the assurance of my highest consideration.

Yours sincerely

Sadok Bouzayen

Ambassador

The Rt Hon. Margaret Thatcher MP
Prime Minister
10 Downing Street
London SW1A 2AL

RÉPUBLIQUE TUNISIENNE

Le Premier Ministre

Madame,

J'ai été particulièrement sensible à votre message de sympathie à la suite des inondations qui ont dévasté certaines régions de Tunisie.

Je Vous en suis particulièrement reconnaissant et voudrais Vous en remercier chaleureusement tant en mon nom personnel qu'au nom du peuple et du Gouvernement Tunisiens.

Vous voudriez bien croire, Madame le Premier Ministre, à ma très Haute et cordiale considération.



MOHAMED MZALI

Son Excellence, Madame Margaret Thatcher
Premier Ministre du Royaume Uni de
Grande Bretagne.

V435

MINISTER FOR TRADE'S OFFICE MINUTE NUMBER:

2158

Mr Babb OT5 (o/r)

A.d.C. ¹⁴/₁₂

h.a.

MINISTER FOR TRADE'S VISIT TO TUNISIA, 7-10 DECEMBER

You accompanied the Minister on his visit to Tunisia, where he paid calls on M. Lasram, Minister of National Economy (his host): President Bourguiba; Prime Minister Mzali; M. Sayyah, Minister of Equipment; M. Belhaj Amor, Minister of Housing, M. Baly, Minister of Defence and M. Moalla, Minister of Finance and Planning.

In addition the Minister, after his call on the Tunisian President, attended the meeting which was already in progress with the Director-Generals of API, SIAPE and CEPEX, and also - on arrival - met representatives of Vosper Thorneycroft to discuss the project they are pursuing.

I enclose a copy of the notes of the meetings which I attended, that is those with Messrs Mzali, Sayyah, Belhaj Amor, Moalla, and Baly; also the meeting with Vospers and the working session with M. Lasram. I did not attend the audience with the President nor the private meeting with M. Lasram (at which the Minister and HMA only were present). Nor did I attend part of the meeting with API, SIAPE and CEPEX, which you kindly agreed to record.

The businessmen referred to in the notes are of course those who accompanied the Minister, that is:

Piers Brooke, Lloyds Bank International;

"Chile" Chambers, British Shipbuilders;

Tony Hatton, SimChem Ltd;

Tony Venn, Haiste International Ltd;

John Walrond, GEC-Telecom Ltd.

I am copying this and the notes to Alan Barber, OT5; Patrick Wilson, NENAD, FCO; Sir Alexander Stirling, HMA Tunis; and to Douglas Hardinge, First Secretary, Tunis. I should be grateful if you would arrange any wider circulation that may be appropriate.

David Hayes

DAVID HAYES
APS/Minister for Trade
V/S 835
Extn 5146

13 December 1982

MINISTER FOR TRADE'S OFFICE MINUTE NUMBER: 2159

NOTE OF WORKING SESSION BETWEEN MINISTER FOR TRADE AND
M. ABDELAZIZ LASRAM, TUNISIAN MINISTER OF NATIONAL ECONOMY,
TUNIS, WEDNESDAY 8 DECEMBER

BACKGROUND

An hour length working session between a full team from both sides, following immediately the personal meeting Mr Rees and M. Lasram (attended only by HM Ambassador).

SUMMARY

Useful exchange, with M. Lasram having fielded a very strong Tunisian team, about Tunisian plans; clear message from M. Lasram that Tunisia is interested in co-operation (JV's etc) and investment from the UK in areas which would lead to exports to third countries; as opposed to direct sales from UK to Tunisia only. Copy of agreed communique (in French) attached. Agreement that exchange of missions (Tunis/UK and UK/Tunis) should take place next year.

DISCUSSION

In welcoming Mr Rees, M. Lasram noted that relations between the UK and Tunisia had known better times: it was the President's wish that relations be strengthened and he wished to give new impetus to this especially following the visit of The Queen. It was the responsibility of his Ministry to set down the areas in which co-operation might take place.

The Minister thanked M. Lasram for his welcome and pointed to the long-standing relations between our two countries which went back to the nineteenth century when Britain was Tunisia's closest economic partner; but it was more important to look to the future now rather than harp on the past. It was difficult in a period of world recession to increase co-operation but with the right will there were always ways of achieving this. Mr Rees noted that he had brought a strong team of businessmen with him, from both the manufacturing and services sector, and hoped to find out why the UK was not doing so well as other competitor countries, and, having heard details of Tunisian proposals under their sixth Five Year Plan, to be able to pass on details of opportunities when he returned to the UK.

M. Lasram explained that Tunisia had developed co-operation with France, the FRG, the GDR and with Turkey: more recently with Algeria, Morocco and Kuwait. He hoped that similar co-operation would be developed with the UK. It was important that co-operation should not be limited to a narrow range of partners and he was

therefore willing to send a mission to the UK to examine the possibilities for co-operation: perhaps after that mission a return one from the UK could visit Tunisia. M. Lasram pointed out that Tunisia favoured intermediate technology, most of her problems had arisen from large scale projects. A recent visit to Turkey had identified several viable propositions. But, as he had told the French (who like the UK were at an advanced stage of development) other countries were in a better position to put forward ideas as to what was best for Tunisia. Tunisia was though primarily interested in projects which would lead to exports from Tunisia because of the limited size of the home market. Development of co-operation with Tunisia would also assist third countries in increasing their co-operation with other countries such as Libya and Morocco. As an example of the co-operation which Tunisia was seeking M. Lasram highlighted the agreement with Mercedes of the FRG for the assembly of engines, under which 50% of production would be for the Tunisian market and 50% for export. There was however a need for Tunisia to diversify away from the oil and phosphate sectors. M. Lasram noted that development banks had been established with Saudi Arabia, Kuwait, the United Arab Emirates and Qatar: the UK might also wish to participate in a similar scheme.

In respect of Tunisia's development plans M. Lasram stressed that Tunisia had reduced investment on infrastructure and was basically interested in capital intensive projects. Areas which they intended to concentrate on were:-

- (a) Heavy industry;
- (b) Manufacturing industry, where investment in the next 5 years would be 1.8 billion dinars;
- (c) Mechanical and electrical industries;
- (d) Telecommunications, which offered a wide scope for co-operation;
- (e) Tourism, where the number of beds had been increased by two thirds. M. Lasram hoped that more tourists would visit Tunisia from the UK, although we were third behind France and the FRG already, and wished to encourage companies like Trust House Forte to have Joint Ventures with Tunisia;
- (f) Mining and Chemicals, where Tunisia wished to double its output from phosphate mining and where the construction of a new processing factory was envisaged every other year. A new phosphoric acid plant was desired in co-operation with the West but the Tunisians also wished to extend beyond production of phosphoric acid; for example the construction of a potash plant.

Finally there were many other sectors of interest including shipbuilding, oil exploration research, other areas of mining and iron and steel.

In respect of the mission from Tunisia which he had suggested, M. Lasram proposed that this might take place in the first or fourth quarter of 1983. More specific proposals could be made during this mission which M. Lasram ^{hoped} would then lead to specific agreements. Prices and financing terms were important but were no longer paramount. The main requirement was co-operation and willingness to provide investment in Tunisia, for example 90 to 100 FRG companies had established Joint Ventures in Tunisia. In this respect there was a problem with Japan who wanted to sell cars to Tunisia but give nothing in return. Japan would therefore get less business in future unless she changed her attitude.

The Minister for Trade thanked M. Lasram for outlining Tunisian plans. He was glad to take up M. Lasram's offer of a mission from Tunisia to the UK and a return mission from the UK to Tunisia. The detailed arrangements for these missions should in his view be left to officials but there was a need for careful preparation so that talks were positive rather than routine. It would therefore be helpful to exchange "shopping lists". Mr Rees noted that he would do all he could to encourage proposals for Joint Ventures but there was a need to persuade UK businessmen that there was a good climate for investment in Tunisia. He hoped therefore that the double taxation agreement would be signed soon possibly during the visit of M. Mestiri. He also hoped for further progress in respect of the investment protection agreement. The Minister noted that the UK had a similar problem to Tunisia with imports of Japanese cars: we also had a large trade imbalance with Japan. Although we looked at trade multilaterally rather than bilaterally we nevertheless wished to see an increase in trade with Tunisia in both directions. In conclusion Mr Rees introduced the businessmen individually and asked them to detail their individual interests.

Mr Brooke explained that the banks would like to work more closely with borrowers in the Tunisian State sector and with UK industry, the banking sector was keen to expand its commitment to Tunisia, where we were perhaps behind France. We might also place more emphasis on working with the Tunisians rather than with UK exporters. Mr Walrond explained the wide range of GEC's activities, from communications to power engineering. Mr Hatton explained that SIMCHEM were bidding for a new acid complex in Tunisia and he understood that technical discussions were to take place later in December. This was confirmed. There was in his view a possibility of third country collaboration between the UK and Tunisia given the prediction by the United Nations that ten such plants would be built world-wide between 1986 and 1991 and the Tunisian plans, as expressed by M. Lasram, that a plant would be built every other year. Mr Venn explained that he was representing the British Consultants Bureau as a whole. His own company was looking to work with local Tunisian consultants primarily in the water, housing, public works and agricultural sectors. Mr Chambers was glad to hear that Tunisia wanted to export more.

British Shipbuilders were interested in the contract for a sistership to the "Habib" and, in respect of co-operation had agreements with two other countries where the UK built the first ship and the receiving country built further ones. M. Lasram asked whether it might be possible to build either the whole or part of the first ship in Tunisia, or to set up a Joint Venture company. Concluding the meeting, Mr Chambers explained that because of British Shipbuilders' Constitution a Joint Venture was not legally possible, but it might be possible to reach agreement on shipbuilding where part of the work was done in Tunisia. In this respect he would be glad to return to Tunisia to look at local shipyards with his technical experts.

David Hayes

DAVID HAYES
APS/Minister for Trade
V/S 835
Extn 5146
13 December 1982

N°

COMMUNIQUE COMMUN TUNISO-BRITANNIQUE

Sur invitation de Monsieur Abdelaziz LASRAM, Ministre de l'Economie Nationale, Monsieur Peter REES, Ministre Britannique du Commerce s'est rendu en visite officielle en Tunisie du 7 au 10 Décembre 1982 accompagné d'une délégation importante d'hommes d'affaires.

Au cours de son séjour en Tunisie, Monsieur Peter REES a été reçu en audience par le Combattant suprême Monsieur le Président de la République et Monsieur le Premier Ministre Mohamed M'ZALI.

Il a eu en outre des entretiens avec Messieurs: Slaheddine BALY Ministre de la Défense Nationale, Mansour MOALLA, Ministre du Plan et des Finances, Mohamed SAYAH, Ministre de l'Equipement et Moncef BEL HADJ AMOR, Ministre de l'Habitat.

Au cours des rencontres présidées conjointement par Monsieur Abdelaziz LASRAM et Monsieur Peter REES, les deux parties ont passé en revue la Coopération Economique et Commerciale Tuniso-Britannique et ont manifesté leur désir de poursuivre cette coopération et de la renforcer davantage.

La Partie Tunisienne a exposé les objectifs du VIème Plan de Développement Economique et Social et notamment les priorités sectorielles retenues en matière de Développement Industriel et Touristique.

Par ailleurs, elle a fait part de son approche en matière d'échange Inter-industriel basé essentiellement sur un transfert réel de technologie, un degré élevé d'intégration et une commercialisation conjointe d'une partie de la production sur des marchés tiers.

La Partie Britannique a manifesté sa volonté de contribuer à cet effort de développement conformément au souhait tunisien.

Dans le but de concrétiser cette coopération les deux parties ont convenu d'organiser des rencontres au niveau des experts et des hommes d'affaires des deux pays, ces rencontres se tiendront à Londres et à Tunis en vue de permettre aux deux parties d'identifier les projets susceptibles d'être réalisés en commun.

En matière touristique les deux parties ont convenu de consolider la coopération dans ce domaine.

Par ailleurs, elles se sont félicitées de l'état d'avancement de l'élaboration de l'accord de non double imposition, et ont convenu d'oeuvrer à la mise au point dans un bref délai d'une convention relative à la garantie des investissements.

MINISTER FOR TRADE'S OFFICE MINUTE NUMBER: 2160

NOTE OF CALL BY MINISTER FOR TRADE ON M. MANSOUR MOALLA, TUNISIAN
MINISTER OF FINANCE AND PLANNING, TUNIS, WEDNESDAY 8 DECEMBER

BACKGROUND

The Minister met M. Moalla for a general discussion of the Tunisian banking and investment situation, and its relationship with the Tunisian Five Year Plan. All 5 businessmen were present, together with HM Ambassador; Mr Babb and Mr Hardinge.

DISCUSSION

In his introductory welcome the Minister for Trade explained that he had just held discussions with M. Lasram, who had mentioned the budgetary constraints on Tunisia. M. Moalla explained that Tunisia had now formulated its sixth Five Year Plan and an international meeting, attended by our Ambassador, had been held recently to give details of the plan. Under this total investment would be \$15 billion or 8 billion Dinars. The priority was the development of labour intensive sectors. One way to achieve the plan was through the establishment of development banks and, for example, banks of this nature had been established with Kuwait, Saudi Arabia, the United Arab Emirates and Qatar. Most of the development banks had a capital of at least 100 million Dinars and all were supposed to finance industrial projects, agricultural projects and tourism etc. The Agricultural Development Bank was taking advantage of a 140 million European Units of Account European Community loan. Of the \$8 billion to be invested under the Plan, \$5 billion would be for industrial projects and \$3 billion for infrastructure. Questioned as to how the 3 billion Dinars for infrastructure would be financed, M. Moalla explained that this would be partly from the Tunisian budget, partly from the Tunisian banking system and partly from funds from Saudi Arabia, Kuwait, and the African and Islamic banks. The West German banks had also recently put in money but M. Moalla was not sure if this would continue with Herr Kohl as FRG Chancellor. France and Italy had also provided mixed credits.

The Minister asked whether it was possible to re-patriate profits. In reply M. Moalla explained that Tunisian legislation was very clear, and guaranteed the repayment of dividends. However for this to be so, the projects would need the prior approval of both his Ministry and also the Tunisian Central Bank. In the industry, tourism and banking sectors capital could also be transferred. The 1972 Tunisian law covering offshore banking did not require

the re-patriation to Tunisia of sales proceeds except for the cost of the goods and services locally. M. Moalla also expressed confidence that the double taxation agreement between the UK and Tunisia would be signed shortly, probably during the visit of M. Mestiri to the UK the following week.

The Minister noted that the UK was not familiar with the Tunisian investment climate and was therefore grateful for M. Moalla's report. He, like M. Moalla, looked forward to signature of the double taxation agreement and noted that a great stimulus would be provided to UK industry by the signature of the Investment Protection Agreement which was under negotiation. Mr Rees also asked whether the Tunisians had it in mind that Tunis should take over from Beirut as an international financial centre. In reply M. Moalla said that this was not really the case since conditions were different: but the situation might nevertheless come about because of outside factors. It was very important for Tunisia to study matters very carefully so as to make sure that it did not lose sight of its own objectives.

M. Moalla expressed the desire that more tourists from the UK visit Tunisia. In reply Mr Babb explained that the downward trend was a general one and did not reflect any antipathy towards Tunisia, other countries were similarly affected.

Questioned by the businessmen, M. Moalla explained development plans for the construction of dams, the use of communications equipment and progress on the SIMCHEM project. M. Moalla also explained the situation in respect of financing of housing construction subsequently explained in more detail (and covered in the note of that meeting) by the Tunisian Minister of Housing. Asked whether Tunisian development banks operated commercially or politically, M. Moalla noted that they had to be commercially viable. He also commented, on a point as to whether loans could be arranged directly or whether the Ministry of Finance had to give its blessing, that loans could be facilitated directly following the approval of the Ministry, which controlled the debt service ratio. All loans had to be guaranteed by the Tunisian State.

In conclusion, the Minister for Trade asked how the Tunisians mobilised private savings. M. Moalla explained that this was done through 10 savings banks and also through building societies and Post Office Savings Banks, noting that there were tax benefits for investors. Also under a 1962 Tunisian law there were taxation advantages in taking shares in companies.

David Hayes
DAVID HAYES
APS/Minister for Trade
V/S 835
Extn 5146
13 December 1982

MINISTER FOR TRADE'S OFFICE MINUTE NUMBER: 2161

NOTE OF CALL BY MINISTER FOR TRADE ON M. MONCEF BELHAJ AMOR,
TUNISIAN MINISTER OF HOUSING, TUNIS, WEDNESDAY 8 DECEMBER

BACKGROUND

A long meeting, during which Mr Belhaj Amor - in a virtual monologue - outlined Tunisian plans in the housing and related sectors. The meeting was attended by HM Ambassador, Mr Babb and Mr Harding, together with all the businessmen.

DISCUSSION

M. Belhaj Amor, in welcoming Mr Rees to Tunisia, recalled their meeting in April at the British-Tunisian Society Dinner on 7 April. He noted the possibility for co-operation between the UK and Tunisia in building materials and housing: Tunisia, unlike Morocco, had not been left much housing by the French. There was considerable pressure on the Tunisian Government from the people, who wished to own their own houses, and a lot had been done in the last two decades. In the first decade of independence (broadly the 1960s) 15 to 18% of the budget had been invested in housing: this represented construction of 10,000 units per year. In the second decade (the 1970's) the construction of housing had risen to 28,000 per year and in the third decade (the 1980's) a rate of 32,000 units per year had been achieved so far. It was planned to continue at this rate for the remainder of the decade even though demand (50,000 units per year) considerably exceeded supply. This shortfall was necessary because agriculture and industry had been identified as priority sectors for development under the new Five Year Plan. The Tunisians placed a large reliance on the State for housing and the Government wanted to reduce the State burden on the financing of houses. Describing the situation, M. Belhaj Amor explained that the lowest income families in rural areas would receive 15 year loans on which the interest would be paid for by the State. Dependent on their wages others would pay either 4.5% interest, or 7 or 8%.

In respect of building materials M. Belhaj Amor explained that Tunisia was looking for supplies with lower costs, improved quality and better delivery dates than had been achieved in the past. For housing Tunisia had tried a large programme of building pre-fabricated houses in the early 1970's and 3 companies had been set up for this. The housing had been of heavy construction and did not find favour with the Tunisians. The programme had therefore been considered a failure and the 3 companies put into liquidation. Tunisia was however now looking again at the question

of pre-fabricated houses but using a lighter construction. The Tunisians were very much open to suggestion as to what should be used but wished to make maximum use of local materials and labour because of the need for job creation. Tunisia was not looking for anything very sophisticated but wished to implement matters quickly.

Tunisia was, according to M. Belhaj Amor, also aware of the need for better energy conservation, although this was related more to cooling rather than to heating. The need to make better use of raw materials and usage of the right types was also stressed. Research was being undertaken in this area. In particular a German proposal for the use of Tunisian sand in the construction of bricks, which it was hoped would make brick construction cheaper, was being studied at present.

M. Belhaj Amor stressed particularly the need for financing/technology packages. What the Tunisians were seeking was the transfer of technology from foreign companies and also the provision of finance.

In respect of town planning there was the need to build new towns because of the move from the country to urban centres by the population. The Tunisian proposals for this involved the construction of satellite towns about 15 to 20 kilometres from existing cities. Where possible these would be linked also with industrial zones.

An example of this was the construction of the satellite town at Al Mourou which involved the construction of 10,000 housing units approximately 2 kilometres from an industrial zone. Referring again to the need to put up finance/technology packages

M. Belhaj Amor noted that Belgium, which was to provide finance, was to supply 1000 of the units at this experimental town. Finance would be sought at "better than market rates" but M. Belhaj Amor hoped that this would not be a problem because of Tunisia's good credit position and the interest of third countries in providing the housing units. While Tunisia had many building companies who would be capable of doing such work it was more a question of time, therefore UK/Tunisia co-operation in this sector could be beneficial to both parties.

The Minister for Trade thanked M. Belhaj Amor for outlining in detail Tunisia's long-term housing plans and agreed to reflect further on the Tunisian ideas on his return to London.

In conclusion M. Belhaj Amor answered questions from Mr Venn about the type of low cost housing required (partly traditional pre-fabricated, but the main issue was one of costs) and it was agreed that Mr Venn should have further meetings with officials of the Ministry of Housing.

David Hayes

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APS/Minister for Trade
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13 December 1982

MINISTER FOR TRADE'S OFFICE MINUTE NUMBER: 2162

NOTE OF CALL BY MINISTER FOR TRADE ON M. MOHAMED SAYYAH, TUNISIAN MINISTER OF EQUIPMENT, TUNIS, WEDNESDAY 8 DECEMBER

BACKGROUND

Useful summary of Tunisian construction plans at meeting which all five businessmen attended, together with HM Ambassador; Mr Babb and Mr Hardinge.

DISCUSSION

M. Sayyah welcomed Mr Rees to Tunisia and noted the excellence of our political relationship; although economic relations were not so good and he hoped this would improve. Evidence of commitment from the Tunisian side was shown by the award of a contract to British Airports Authority for a feasibility study for a new airport, the instructions for which President Bourguiba had given a year ago. There was a possibility that British firms might also be successful in a bid for the construction contract for the airport. M. Sayyah went on to explain his role as Minister of Equipment which covered responsibility for the construction of roads, ports, airports, dams, and sanitation facilities. The Ministry was also responsible for civil engineerings for hospitals and schools etc and had to give approval for certain building work. Finally, responsibility also covered topography, land registration and zoning etc.

Invited by the Minister for Trade to detail projects for which his Ministry was responsible, M. Sayyah explained that 3 or 4 dams would be constructed under the Sixth Plan. The first would be in Sciliana and would be of medium size. The call for tenders would be issued in 3 or 4 months. The second dam, to be called the Lebna Dam, would be constructed in Cape Bon; tenders for this would also be called in 3 or 4 months. The usual financing for these projects was a mixture of the Government Budget, internal banks and the World Bank together with Kuwait, Saudi Arabia and the United Arab Emirates. But an important part of financing was now through the country which wished to participate in the construction of the project. The third dam would be built in 1984 in Sejnane and would be of 600 million cubic metre capacity. The financing for this was already provided for by the Budget and from Saudi Arabia. A fourth dam (a smaller one of 500 million cubic metres capacity) would be built on the Oued Merg El'l river at Kairouan. A fifth dam would probably also be built in 1986 in North Tunisia.

In respect of road construction the Sixth Plan proposed expenditure of 160 million Dinars. The main feature of this would be the construction of an 80 kilometre between Hammamet and Sousse. Bids for this would be sought in 1984/85. It was also planned to construct roads in the mountain area, for example between Beja and Ain Draham. Existing roads would also need to be maintained.

For fishing ports it was intended to expand Kelibia in the Cape Bon area: the call for tenders had already been issued and work would start in 1983. The Port of Bizerte would also be expanded and, in 1984, that at Tabarka near the border between Tunisia and Algeria. A commercial and industrial port would also be constructed at Zarzis in the South which would be linked to the industrial zone for potash. In coordination with the Tunisian Ministry of Economy a decision on this project was being taken now. And in 1986/87 an industrial port would be constructed at Cap Serrat in the North under a 2.5 million Dinar project for which the consultancy contract had already been awarded. Finally, in the Le Kef phosphate area a port would be constructed and road and railway links improved: a further airport would also be constructed at the beginning of the Seventh Plan.

Mr Venn explained that his firm of consultants would be glad to help in any way in respect of projects, particularly those in respect of the water supply and airports. It was agreed that a meeting should take place later in the week between Mr Venn and Mr Sayyah's officials to discuss possible participation. Mr Walrond expressed GEC's interest in providing communications equipment, especially for airport projects, and Mr Brooke noted the willingness of the UK banking sector to provide support, and the necessity of putting together comprehensive and competitive packages. Mr Hatton of SIMCHEM, whose interests extended to the provision of phosphate plants, asked whether the responsibility for construction of such plants lay primarily with the Ministry or with Siape. M. Sayyah replied that the Ministry of Equipment had some involvement in such projects but the main responsibility lay with Siape.

In conclusion the Minister for Trade noted the desire of the UK for increased cooperation with Tunisia and the further development of our relations: the exchange of delegations next year proposed by M. Lasram would obviously help in this respect.

David Hayes

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APS/Minister for Trade
V/S 835
Extn 5146
13 December 1982

MINISTER FOR TRADE'S OFFICE MINUTE NUMBER: 2162

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David Hayes

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Extn 5146

13 December 1982

MINISTER FOR TRADE'S OFFICE MINUTE NUMBER: 2163

NOTE OF CALL BY MINISTER FOR TRADE ON M Baly, TUNISIAN MINISTER OF DEFENCE, TUNIS, WEDNESDAY 8 DECEMBER

BACKGROUND

The Minister, together with HM Ambassador and Mr Hardinge, British Embassy (to interpret) met M Baly to discuss specifically the Vosper Thornycroft contract. A general meeting, with the additional presence of Mr Babb, OT5: Mr Walrond, GEC: and M Kefi, Tunisian Commercial Counsellor, followed.

SUMMARY

Mr Rees ascertained the Vosper contract had been postponed, but a decision was promised within 36/48 hours. Tunisian requirement for training of military personnel.

DISCUSSION

The Minister made representations on behalf of Vosper's in respect of a potential £46M contract for Patrol Craft; negotiations for which seemed to have been suspended. M Baly explained that a decision on the contract had been postponed for financial reasons (the recent floods had, in particular, necessitated heavy expenditure), but he agreed to come to a decision within 36 or 48 hours. Mr Rees was grateful for this.

In the general discussion M Baly said that Tunisia was seeking major co-operation in the training of military personnel especially officers; Tunisia already had a degree of military co-operation with the UK but he hoped this could be elevated to the level of our political co-operation. Asked by the Minister, M Baly explained that Tunisia had no specific defence equipment requirements which he could pass on at present; however international bids were always called when a specific need arose. For example, UK firms had been contacted in respect of a requirement for transmission equipment.

Mr Rees agreed to ask our Ministry of Defence on his return to London about the training situation; and to see whether the Tunisians might be invited to the next Farnborough Air Show. Mr Hardinge noted that 2 Tunisian officers had attended this year's British Army Equipment Show.

Mr Rees asked M Baly whether meetings with Tunisian officials could be arranged for Mr Walrond of GEC: who explained his company's background and interests. In conclusion, M Baly agreed to arrange an appointment with his Director of Transmission. Mr Walrond was content with this.

David Hayes

DAVID HAYES
APS/Minister for Trade
V/S 835
Extn 5146
13 December 1982

MINISTER FOR TRADE'S OFFICE MINUTE NUMBER: 2164

NOTE OF MEETING BETWEEN MINISTER FOR TRADE AND VOSPER THORNEYCROFT,
TUNIS, TUESDAY 7 DECEMBER

Present:

Peter Rees QC MP
Mr Babb OT5
Mr Hardinge, British Embassy, Tunis

Mr Potter, Vosper Thorneycroft
M de Chasson, Vosper Thorneycroft

BACKGROUND

The Minister met Vosper Thorneycroft to discuss how he could assist their efforts to win a £46M contract for patrol craft with the Tunisian Navy, the background to which is set out in the company's attached note.

SUMMARY

Agreement that first priority was to establish why negotiations had been suspended and the requirement to re-continue them.

DISCUSSION

Mr Hardinge explained that the Tunisians had suspended negotiations but had given no reason. It was important to find out why. A lack of money, due to emergency expenditure because of recent floods, was plausible but since this was a defensible reason which had not been given, a different reason was implied. During the Minister's visit the Tunisian Defence Minister and Prime Minister would be the right people to raise the subject with. Although the decision was one for the President it might be best not to raise the matter with him. Mr Rees agreed to assess the situation on the spot.

Mr Potter said the contract - which would involve craft with British hulls and French weaponry (46% and 54% of content respectively) would provide a major breakthrough in British shipbuilders' sales to Francophone Africa, as well as providing a year's work at Gosport for Vosper's. The Tunisian President had expressed the wish that the contract come to the UK; technical specifications had been met and a good credit package put together but, for an unknown reason, negotiations had been suspended. He was very concerned about a wholly French bid. Like Mr Hardinge he considered it important to find out why negotiations had been suspended and hopefully get the project back on the rails quickly. [If the problem was payment, deferment could - via Morgan Grenfell - probably be arranged, however Vosper's could only hold their price until the end of the year and ECGD's agreement would expire soon.]

It was generally agreed that by awarding this contract to Britain, the Tunisians could usefully demonstrate that they really did wish to diversify away from reliance on French imports. It was also agreed that our representation at the meeting between the Minister and the Tunisian Defence Minister should be that which best suited our purposes in respect of the Vosper contract. Vosper's themselves and the businessmen would probably therefore not be present.

We agreed to report on our meetings with the Tunisians to M de Chasson, who was staying on in Tunis (Mr Potter was to depart on the 8th).

David Hayes

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APS/Minister for Trade
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Extn 5146

13 December 1982

TUNISIA : BRIEF

1. In August 1975 Vosper Thornycroft signed a contract with the Tunisian Ministry of Defence for the supply of two 103ft (31 metre) Patrol Craft to the Tunisian Navy. Total contract value was £2 million including spares. Both craft were delivered in 1977 and remain in service. The Tunisian Navy are entirely satisfied with these craft. They are used for fishery protection and general patrol duties and are armed with two 20mm guns.

2. Although small in value, this contract represented a breakthrough in that it was the first British sale of naval equipment of any significance into a Francophone (and French dominated) territory. The French were reported to have been very upset at the time and determined to prevent any further incursions into what they considered to be their domain.

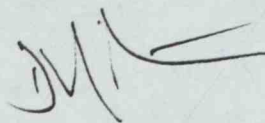
3. In August 1981, after a four-year fight with Vosper Thornycroft (UK) and Luerssen (Germany), a French Shipyard - CMN - signed a contract to supply three heavily-armed 56 metre Combattante III Fast Patrol Craft to the Tunisian Navy at French Francs 629,433,000 total including spares and training. The French won this order on unbeatable (and very exceptional) credit terms of 90% of the contract value repayable over 13 years from delivery at 7½% p.a. The balance of 10% was repayable over 4 years (the building period) in four instalments, each of 2½%. This was in turn backed up by very strong diplomatic and political pressures at President to President level. Understandably, ECGD was not able to match the French credit offer, but were able to put forward 80% over 10 years at 7½% p.a.

4. In June 1982, following some months of preliminary discussions, Vosper Thornycroft were selected against fierce French competition to supply two 52 metre Fast Patrol Craft to the Tunisian Navy. Serious technical and contractual negotiations commenced in August. The overriding reasons for the selection were supposedly twofold:-
 - i) There was a "political wish" by the Tunisian Government to place this contract in UK rather than anywhere else.
 - ii) Our credit terms were considered to be attractive - 80% of the contract value repayable over 10 years from delivery at 10% p.a.
 - iii) The Tunisian Navy were satisfied with Vosper Thornycroft's ability to provide them with what they wanted.

The finally agreed total contract value amounted to £46,484,000 including spares and training.

/Contd.....

5. By early November, after three months of uninterrupted negotiation, Vosper Thornycroft had agreed a technical specification and a supply contract, and Morgan Grenfell had agreed virtually all the terms of a loan agreement. VT and MG were then advised verbally by the Tunisian negotiators that they had no authority to proceed any further - i.e. to contract signature - and the presence of VT and MG would serve no further useful purpose. At this point, negotiations were therefore politely suspended without any explanation.
6. Since the President personally authorised, and encouraged, the purchase of these two 52 metre craft from Vosper Thornycroft, it is almost certain that this subsequent suspension of negotiations has also been authorised by him. There has been no indication as to when - or whether - negotiations will be resumed. One can only theorise that those who have been against the project have managed to persuade the President to postpone making a commitment in view of some economic problems perhaps caused by the recent floods.
7. Vosper Thornycroft view the current situation as absolutely critical, in that the French could at any time come forward with a new proposal which could well include improved and more attractive credit terms, thereby enabling the Tunisians to reconsider their selection of supplier. Mr. Rees' visit to Tunis is, therefore, an ideal opportunity for leading questions to be asked at the highest level - i.e. why have negotiations been suspended? At the same time it should be pointed out that the very special credit offer by the British Government should be taken up as soon as possible since it cannot be made available indefinitely.



3/12/82

V434

MINISTER FOR TRADE'S OFFICE MINUTE NUMBER:

2165

NOTE OF CALL BY MINISTER FOR TRADE ON M MOHAMED MZALI, TUNISIAN PRIME MINISTER AND SECRETARY GENERAL OF THE PSD, TUNIS, THURSDAY 9 DECEMBER

PRESENT:

Mr Peter Rees QC MP
HMA, Sir Alexander Stirling

M Mohamed Mzali
M Abdelaziz Lasram,
Tunisian Minister of National Economy

SUMMARY

Cordial discussion about international affairs and the Tunisian economy.

DISCUSSION

M. Mzali, in his introduction, explained that he had just seen Chase Manhattan Bank: the Bank were more optimistic about the world banking situation and were to participate in a loan under which the Tunisians were trying to raise 100 million dinars. M. Mzali was also aware that the Saudi Arabians were depositing \$2 billion in a French bank in order to help the French raise a £4 billion loan.

The Minister noted the difficulties which were facing the French economy and went on to explain his role in the UK Government and the purpose of his visit to Tunisia. He also referred to the composition of the delegation he had brought from the UK noting in particular that he had included representatives of both the manufacturing and services sectors. He noted that British business had neglected Tunisia as a market for some time and other countries, for example the FRG, were now ahead of us in terms of Joint Ventures etc. The Germans, by way of example, engaged in outward processing of textiles but for the UK there were difficulties in similar co-operation because of problems with the unions, who were reluctant to accept outward processing. Mr Rees pointed out that he had had a useful exchange of views and concrete discussions with M. Mzali's colleagues including talks that morning with the Director-Generals of the appropriate Tunisian organisations, during which he had suggested that API open an office in London. He would therefore be taking a robust message back with him to London, particularly since M. Lasram had expressed very clearly the Tunisian interest in Joint Ventures, the transfer of technology and investment in Tunisia.

M. Mzali noted that Tunisia was amongst those countries affected by the world recession, which in her case had led to worsening terms of trade. The mounting tide of protectionism had meant that Tunisia was now able to sell few textiles; the Tunisian textile agreement with the European Community having brought stability to the Community industry but at the same time hitting Tunisian sales. There was therefore a need for co-operation between the Magreb and the European Community as a whole rather than just between Tunisia and the Community. Asked by the Minister for Trade about the Tunisian economy, M. Mzali explained that Tunisia was trying to create 60,000 new jobs each year. Tunisia was a well managed economy and had been able to control the situation through measures of austerity. Tunisia had been helped in this respect by the ability to convince the trade unions of the need for such measures, by the political stability in Tunisia and by the Tunisian character itself. M. Mzali further explained that in 1982 GDP had fallen by 1.2% but this was an exceptionally bad result due to the agricultural crop, which had been affected by adverse weather problems, and to a fall in tourism. Otherwise the situation was very good and 54,000 new jobs had been created, 13,000 of which were in the public sector. In particular the Government had tried to encourage participation in rural projects under 1981 legislation. M. Mzali was particularly pleased that education accounted for 30% of the Tunisian budget and that the 10,000 Tunisian personnel overseas were skilled workers not labourers. For example 200 teachers had been sent to Morocco in the last 4 years and even nuclear engineers to France. Tunisia was, M. Mzali noted now making good progress with democracy to the extent that it was now the only civilian democracy in the Arab world with the exception of Lebanon (which had had its problems recently). There were now opposition parties in Tunisia. Another positive aspect, as other countries had pointed out to Tunisia, was that Tunisia was aware of its own problems and was therefore setting about tackling them. Other countries seemed unable even to ascertain their problems. Turning to the GATT Ministerial meeting his overriding impression had been the conflict between the USA and France.

The Minister explained that he had personally been at the GATT talks, the outcome of which had been quite successful. It had however been hard work with both European Community co-ordination meetings and the actual GATT meeting itself. Protectionism had been identified as the main problem and work had been advanced in several areas to combat this. In respect of the UK economy both inflation and interest rates had fallen but unemployment had risen to 3 million (compared with 2 million in France). Nevertheless the electors understood that it was not a simple solution and that a price had to be paid. The Government had always made

clear that it needed another term of office to fully implement its policies and he hoped that the electors would not prove fickle.

In conclusion, M. Mzali expressed his admiration for Mrs Thatcher and for our action in the Falklands dispute. He asked that his respects be conveyed to our Prime Minister. M. Mzali also hoped that our economic relations would reach the level of our political co-operation and repeated his invitation for the Prime Minister to visit Tunisia either before or after the election in the UK. Mr Rees agreed to convey this.

David Hayes

DAVID HAYES
APS/Minister for Trade
V/S 835
Extn 5146

13 December 1982

*cc Mr Williams, ITP
- PS/No. 10.*

Tunisia

A.F.C. 9/12.

VISIT OF THE MINISTER OF STATE
FOR FOREIGN AFFAIRS OF TUNISIA

M. MAHMOUD MESTIRI

14-17 DECEMBER

(To be read in conjunction with the programme attached)

Tuesday 14 December

ARRIVAL

When the aircraft has come to a standstill a representative of the British Airport Authority will escort the greeting party to the aircraft. His Excellency Monsieur Sadok Bouzayen will board the aircraft and escort the Minister of State for Foreign Affairs to the tarmac, where he will be welcomed by Mr I H May, representative of the Foreign and Commonwealth Office. Mr May will then introduce Miss Maureen Lawrence, Deputy Secretary, Government Hospitality Fund and Group Captain Robert Thomson, Government Hospitality Fund Escort Officer. The party will then proceed to the Hounslow Suite.

CAR PLAN

The car plan throughout the programme will be as follows:-

1. His Excellency M. Mestiri
His Excellency M. Bouzayen
Group Captain R Thomson
2. M. Larqui
M. Lasram

The Official Suite will accompany the Minister of State for Foreign Affairs throughout the programme.

HOSPITALITY

Dinner on Tuesday 14 December hosted by Sir John Leahy at Admiralty House. The following are also invited:-

M. Taoufik Larqui
M. Haitham Lasram
His Excellency M. Sadok Bouzayen
Mr Martin Lynch
Mr Henry Owen
Group Captain Robert Thomson

/Theatre

Theatre/Supper on Wednesday 15 December hosted by Mr and Mrs Stephen Egerton. The following are also invited:-

M. Taoufik Larqui
M. Haitham Lasram
His Excellency Mr and Mrs Sadok Bouzayen
Mr Oliver Miles
Group Captain Robert Thomson
Mr and Mrs Patrick Wilson

June H. W. Reed

for Miss A Hutchison
Visits Section
Protocol and Conference Dept
Foreign and Commonwealth Office

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Miss M Lawrence, GHF
Mr J Watt, GHF (2)

ODA
PS/Mr Marten

Dept of Trade
PS/Mr Rees

House of Commons
Mr Leadbetter
Mr Moyle
Mr Johnston

Programme only
Dr Semmence, CSD

SUBJECT ^{cc Mcdair} c/s

T 212B/82

TUNISIA

9

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No.

UNCLASSIFIED

34432 - 1
NFT. 232/1
10 NOV 1982
✓

OO TUNIS
GRS 71
UNCLASSIFIED
FM FCO 081403Z NOV 82
TO IMMEDIATE TUNIS
TELEGRAM NUMBER 85 OF 8 NOVEMBER

1. PLEASE PASS THE FOLLOWING MESSAGE FROM THE PRIME MINISTER TO MR MOHAMED MZALI, THE PRIME MINISTER OF TUNISIA: BEGINS: 'I AM DEEPLY DISTRESSED TO LEARN OF THE TERRIBLE FLOODS WHICH HAVE HIT THE EASTERN COAST OF TUNISIA. PLEASE ACCEPT MY SINCERE SYMPATHY FOR THE TRAGIC LOSS OF SO MANY LIVES AND FOR THE PLIGHT OF ALL THOSE MADE HOMELESS.' ENDS

for file
R 11/82

A.S.C. 4/11
h.a.

PYM

NNNN
DISTRIBUTION
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PS/MR HURD
PS/PUS
MR EGERTON

COPIES TO:
DISASTER UNIT ODA

Tunisia

Internal Situation

Feb 80

B/K

File
Tunisia
Bre

8 November 1982

TUNISIA

Thank you for your letter of 4 November about the damage caused in Tunisia by the recent floods.

As I told you on the telephone this morning, the Prime Minister agrees that the proposed message to the Prime Minister of Tunisia may be despatched though she would like the word "destructive" to be replaced by "terrible".

A. J. COLES

John Holmes, Esq.,
Foreign and Commonwealth Office

fk



Foreign and Commonwealth Office

London SW1A 2AH

4 November 1982

Dear Sir,

Yes

Prime Minister:
Agree to send telegram

JH 4/11

The Prime Minister may have heard of the destructive floods which have hit the Eastern coast of Tunisia over the last two days. Our Ambassador has reported today that though the extent of the disaster is still being assessed, the situation is considerably worse than it first appeared. There are now reports of at least 200 dead and some 2000 families without adequate shelter. Material damage is also considerable. France, Federal Germany, Algeria, Morocco and Switzerland have already made general offers of help and our Ambassador recommends that the ODA Disaster Unit should assist with an adequate number of tents, blankets and dried milk. Appropriate details are being worked out with the ODA Disaster Unit. The Ambassador has further recommended that the Prime Minister might send a message of sympathy to the Tunisian Prime Minister, Mohamed Mzali; we agree that this would be appropriate, given the seriousness of the disaster. I attach a draft message, which we will despatch by telegram if the Prime Minister agrees.

Yours ever

J E Holmes

(J E Holmes)
Private Secretary

A J Coles Esq
10 Downing Street

OUT TELEGRAM

	↓	Classification and Caveats UNCLASSIFIED	Precedence/Deskby IMMEDIATE
--	---	---	---------------------------------------

ZCZC	1	ZCZC
GRS	2	GRS
CLASS	3	UNCLASSIFIED
CAVEATS	4	
DESKBY	5	
FM FCO	6	FM FCO
PRE/ADD	7	TO IMMEDIATE TUNIS
TEL NO.	8	TELEGRAM NUMBER
	9	1. Please pass the following message from the Prime Minister
	10	to Mr Mohamed Mzali, the Prime Minister of Tunisia:
	11	BEGINS: 'I am deeply distressed to learn of the destructive ^{terrible}
	12	floods which have hit the Eastern coast of Tunisia.
	13	Please accept my sincere sympathy for the tragic loss
	14	of so many lives and for the plight of all those
	15	made homeless.' ENDS
	16	
	17	PYM
	18	NNNN
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///	22	
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/	24	
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ms

NNNN ends telegram	BLANK	Catchword
File number	Dept	Distribution
Drafted by (Block capitals)		
Telephone number		
Authorised for despatch		
Comcen reference	Time of despatch	



10 DOWNING STREET

From the Private Secretary

6 July, 1982

INVITATION TO THE PRIME MINISTER TO VISIT

TUNISIA

Thank you for your letter of 2 July. As agreed on the telephone yesterday, I put before the Prime Minister a rather more cautious draft reply to the invitation from the Tunisian Prime Minister since I believe it very unlikely that Mrs Thatcher will in fact be able to visit Tunisia in the foreseeable future.

I enclose a letter signed by the Prime Minister and I should be grateful if you could arrange for its delivery.

A. J. COLES

John Holmes, Esq
Foreign and Commonwealth Office

BC

DSG

FILE

cc: FCO



10 DOWNING STREET

THE PRIME MINISTER

6 July, 1982

Y
Your Excellency

I was very pleased to receive your kind invitation to visit Tunisia, which I should be delighted to accept in principle. I agree that dates should in due course be discussed between our officials, though my various commitments make it difficult for me to envisage an early visit. I greatly look forward to meeting you, whenever this can be arranged, and to discussing with you how we can consolidate the good relations between our two countries.

Y
Yours sincerely
Margaret Thatcher

His Excellency Monsieur Mohamed Mzali.

61



Foreign and Commonwealth Office

London SW1A 2AH

2 July 1982

Dear Idnna,

Invitation to visit Tunisia

The Tunisian Prime Minister has written to the Prime Minister to invite her to visit Tunisia. Mr Mzali's letter is confirmation of the oral invitation issued by Foreign Minister Caid Essebsi when he called on the Prime Minister on 10 March this year. Mrs Thatcher said then that it would be a pleasure to visit Tunisia and that she hoped an opportunity would arise in the future.

Mr Pym recommends that the Prime Minister should confirm her earlier acceptance of the Tunisian invitation, leaving the date to be decided later, as proposed by Mr Mzali. In practice of course a visit cannot be seen as of high priority. I enclose the draft text of a reply from the Prime Minister to Mr Mzali. If you agree, we shall ask the Ambassador in Tunis, in delivering the letter, to indicate orally that an early date for the visit should not be expected.

Yours ever

J E Holmes

(J E Holmes)
Private Secretary

A J Coles Esq
10 Downing Street

29 JUIL 1982

RÉPUBLIQUE TUNISIENNE

Le Premier Ministre

NFT 026/10		
01 JUL 1982		


Excellence,

Désireux de renforcer l'amitié et la coopération qui ont toujours caractérisé les relations entre nos deux pays, j'ai l'honneur de vous reconfirmer l'invitation orale qui vous a été transmise par Monsieur Béji CAID ESSEBSI, Ministre des Affaires Etrangères et de vous faire part du grand plaisir que j'éprouve à vous recevoir en visite officielle en Tunisie.

Cette visite qui sera pour vous une occasion de prendre contact avec les réalités de notre pays, nous permettra, j'en suis convaincu, d'examiner ensemble les voies et moyens de nature à promouvoir nos relations et de procéder à un large tour d'horizon des grandes questions de l'heure et plus particulièrement celles qui intéressent de près nos régions respectives.

La date de cette visite pourrait être précisée d'un commun accord par la voie diplomatique.

Dans l'espoir d'avoir le plaisir de vous accueillir prochainement en Tunisie, je vous prie de croire, Excellence, en l'assurance de ma très haute et cordiale considération.


Mohamed MZALI

Son Excellence Madame Margaret THATCHER
Premier Ministre du Royaume-Uni
de Grande-Bretagne

SUMMARY RECORD OF : TUNISIAN AMBASSADOR'S FIRST CALL ON
SIR JOHN LEAHY: 22 APRIL 1982.

1. Mr Bouzayen said he welcomed the rearranged combination of Sir J Leahy's responsibilities to cover Africa as well as the Middle East. This appropriately reflected the Maghreb's African dimension. Turning to Tunisia, Mr Bouzayen said that President Bourguiba's determination to ensure that after his death Tunisia's Western option remained open lay behind his wish to promote Tunisian contact with Western Europe. Bourguiba's chief concern was the survival of the Maghreb as a bridgehead for Western ideology. Increased consultations helped to maintain existing links and to discourage extremist tendencies. The UK's security concerns affected Tunisia and with this in mind Tunisia was working with the third world to minimise the difficulties which the UK currently faced in relation to the Falkland Islands.

2. Sir J Leahy said we believed Tunisia was a country with whom we could maintain a good rapport. There were no points of difference, but we should avoid taking each other for granted. How were Tunisia's relations with her neighbours?

3. Mr Bouzayen said Tunisia had no confidence in Qadhafi. He was too unpredictable. But at least they were on speaking terms. Tunisia would remain vigilant, especially in the border areas. Only recently the Tunisian security authorities had intercepted 6 armed men who had entered Tunisia from Algeria intent on causing disruption. The men had confessed that they were Libyan armed and trained. Prime Minister Mzali had sent emissaries to Algeria and Libya to seek explanations. Qadhafi had claimed he was personally unaware of the development. This was of course possible since Libyan activities in this regard were so indiscriminate. Bendjedid had also claimed to know nothing of the

/men

men, and the day after had dismissed the governor of the region in question and instructed that the Algeria/Tunisia Border Commission should be reactivated. Tunisia believed that Bendjedid wanted to improve relations with Tunisia but had not yet succeeded in jettisoning the legacy of Boumedienne's policies.

27 April 1982



S F Howarth
Near East and
North Africa Department

cc: Tunis
Falkland Islands
Emergency Unit

SUBJECT

ce Mailer



JHP
Tunisia

10 DOWNING STREET

From the Private Secretary

10 March 1982

Dear John,

TUNISIAN FOREIGN MINISTER

The Tunisian Foreign Minister called on the Prime Minister at 0945 this morning. The discussion lasted for 15 minutes.

The Prime Minister opened the discussion by saying that we wanted to have closer contact with Tunisia. M. Essebsi responded in kind and said that he had been asked by President Bourguiba to express to the Prime Minister his high esteem for her and her work. President Bourguiba was a great friend of Britain. He had known Churchill well and he had greatly admired the British role in containing Nazism.

M. Essebsi said that the purpose of his present visit was to develop relations with Britain particularly in the fields of development and technical and cultural affairs. Tunisia was about to launch a new development plan. This would provide opportunities for British businessmen and for the British economy in general. It would be helpful if the British Government decided to support some of the activities in the plan. The Prime Minister said that the new development plan sounded exciting. She took a close personal interest in industrial and commercial relations with other countries and we did our best to support British companies who were engaged in foreign markets. Mrs. Thatcher enquired about President Bourguiba's health. M. Essebsi said that he was now very well and recovered from his fatigue of last year. The President had followed with sympathy the search and rescue operation for Mr. Mark Thatcher in the Sahara earlier this year and was delighted at the happy outcome.

Finally, the Foreign Minister invited the Prime Minister to visit Tunisia. Mrs. Thatcher replied that it would be a pleasure to do so and she hoped that an opportunity would arise in the future.

John Holmes, Esq.,
Foreign and Commonwealth Office.

A

VISIT OF HIS EXCELLENCY THE MINISTER FOR FOREIGN AFFAIRS OF THE
REPUBLIC OF TUNISIA AND MADAME CAID ESSEBSI

9-12 MARCH 1982

A D M I N I S T R A T I V E P L A N - to be read in conjunction with
the programme.

Thursday 9 March

ARRIVAL

When the Aircraft doors open a representative of the British Airports Authority will escort the greeting party from the VIP lounge to the aircraft steps.

The Tunisian Ambassador will board the aircraft and accompany the Foreign Minister and Madame Caid Essebsi to the tarmac, where he will present the following in order:-

The Rt Hon Douglas Hurd MP

Madame K Bouzayen

Brigadier J A C Cowan, Secretary, Government
Hospitality Fund.

Colonel Philip Worrall, Escort Officer, Government
Hospitality Fund.

the party will proceed to the VIP suite.

TRANSPORT

The Government Hospitality Fund will provide cars for the official suite throughout the visit.

Car processions are listed at Appendix I

PRESS

A Central Office of Information Photographer will produce a photographic documentary record of the main events of the programme for presentation to the Foreign Minister and the Embassy.

The Television Facilities Unit of the Central Office of Information will produce a documentary record on video film for presentation to the Foreign Minister.

INTERPRETERS

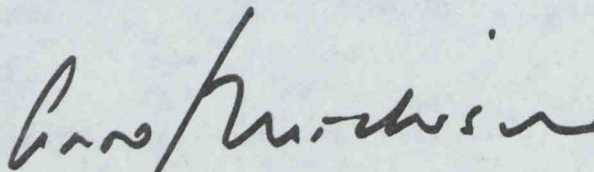
The Foreign Minister will be accompanied by M. Hatem Attallah, who will interpret throughout the programme

Mrs Taylor will interpret for the Secretary of State at talks in the Foreign and Commonwealth Office

PARTICIPATION OF THE OFFICIAL SUITE IN THE FOREIGN MINISTER'S PROGRAMME

Monsieur Ahmed Ben Arfa
Monsieur Mohamed Ben Ezzeddine
Monsieur Moncef Ounaies
Monsieur Hatem Attallah

will accompany the Foreign Minister throughout the programme with the exception of the call on the Prime Minister.



8 March 1982

Miss Anne Hutchison
Visits Section
Protocol and Conference Department

C A R P L A N

London Gatwick Airport - Grosvenor House Hotel

Car no 1 His Excellency Monsieur Caid Essebsi
 The Rt Hon Douglas Hurd
 His Excellency Monsieur Sadok Bouzayen
 Security Officer

Car no 2 Madame Caid Essebsi
 Madame K Bouzayen
 Colonel Philip Worrall

Car no 3 Monsieur Arfa
 Monsieur Ounaies
 Monsieur Ezzeddine
 Monsieur Attallah

Throughout the remainder of the programme the car plan will be as follows:-

Car no 1 His Excellency Monsieur Caid Essebsi
 Colonel Philip Worrall
 Security Officer

Car no 2 Madame Caid Essebsi
 Madame Bouzayen
 Government Hospitality Fund Escort Officer,
 Mrs Paterson.

Car no 3 Monsieur Arfa
 Monsieur Ounaies
 Monsieur Ezzeddine
 Monsieur Attallah

D I S T R I B U T I O N

10 DOWNING STREET

Private Secretary to the Prime Minister (2)
Press Office
Mr Rylands

TUNISIAN EMBASSY (10)

FOREIGN AND COMMONWEALTH OFFICE

Private Secretary (2)
Private Secretary to the Lord Privy Seal (2)
Private Secretary to Mr Hurd
Private Secretary to the Permanent Under Secretary
Mr J C Moberly
Mr J L Bullard
The Lord Bridges

Protocol and Conference Department (6)
Near East and North Africa Department (7)
Mr R O Miles (1)
News Department (3)
Col Durrant (PCD) (4)
Miss D F Lothian
Resident Clerk

GOVERNMENT HOSPITALITY FUND

Brigadier J A C Cowan
Mr C R Taylor
Mr J Watt (2)

METROPOLITAN POLICE

Cannon Row

Programme only: Dr Semmence,
Treasury Medical Advisory Service.

PRIME MINISTER

Visit of Tunisian Foreign Minister

He is coming only for a courtesy call of 15 minutes at the outset of his official visit to the UK.

He is bringing a message from his Prime Minister. But we do not know what it contains.

He will be accompanied by one official. He will speak French, so an interpreter will be available.



A.J.C.

9 March 1982



Foreign and Commonwealth Office

London SW1A 2AH

5 March 1982

Dear John,

Tunisian Foreign Minister

Thank you for your letter of 25 February confirming that the Prime Minister will receive the Tunisian Foreign Minister Beji Caid Essebsi at 9.45 am on Wednesday 10 March. Mr Essebsi will be accompanied by Mr Ahmed Ben Arfa, Director General of International Cooperation or the Tunisian Ambassador, Mr Sadok Bouzayen. This is their first appointment.

Mr Essebsi speaks French and we have arranged for an interpreter, Mrs Taylor, to be present. Mr Moberly, AUS, will be available to attend the meeting for the FCO if required. The COI are in touch with your press office about arrangements for filming the call.

I attach a brief, a copy of the programme and a personality note on Mr Essebsi. He is generally thought to be good value and is currently in the running for Prime Minister.

The Prime Minister may like to know that Mrs Essebsi is accompanying her husband on the visit and will have a separate programme. Lady Carrington is giving Mrs Essebsi lunch on Wednesday 10 March.

Yours ever

J E Holmes

(J E Holmes)
Private Secretary

A J Coles Esq
10 Downing St

VISIT OF THE FOREIGN MINISTER OF TUNISIA: 9 + 12 MARCH 1982

CALL ON PRIME MINISTER: 9.45, WEDNESDAY 10 MARCH 1982

Points to Make

1. Welcome at outset of visit. Delighted that there are no problems between us. Value Tunisia's internationally respected moderate outlook.
2. Share Tunisian wish to thicken up relations. Trade is the key. Sympathise with Tunisia's security pre-occupations. If we can help, we will.
3. [If raised] Would welcome a visit by Prime Minister M'zali.



VISIT OF FOREIGN MINISTER OF TUNISIA: 9 - 12 MARCH 1982

CALL ON THE PRIME MINISTER: 9.45, WEDNESDAY 10 MARCH 1982

Essential Facts

1. Anglo-Tunisian relations are good but with little substance. The Tunisians believe we are not sufficiently alert to the risks to Tunisia's stability and security and, by extension, to Western security of the combined pressures on her of Libyan adventurism (and Algerian complicity or acquiescence in it) and the eventual displacement of Tunisia's currently Western orientated leaders by a younger generation less attracted by ties with the West.
2. Essebsi will come with a letter to the Prime Minister from Prime Minister M'zali. We do not know what it will say but it may fish for a visit to the UK by M'zali. The Tunisian Ambassador has already mentioned this to Mr Hurd and Lord Carrington, who both said that in principle they would welcome such a proposal. Sir Ian Gilmour when LPS and Mr Hurd have met M'zali, who is good news.
3. Sir Ian Gilmour visited Tunisia in May 1980. The Queen and Prince Philip's State Visit was in October 1980, with Lord Carrington in attendance. The Prince and Princess of Wales spent part of their honeymoon there in August 1981. Mr Hurd went in May 1981. Prince Philip is in Tunisia now on World Wildlife Fund business.
4. There are no outstanding bilateral issues. Trade is not Essebsi's subject, though aid is, and during his visit he is likely to press

for a British contribution to the 1982/86 Development Plan to be launched in April. We hope that agreements on Double Taxation and Road Haulage will be ready for signature during the visit. The Tunisians are keen to promote the teaching of English and the British Council does a good job within the financial constraints. The Tunisians want us to do more. We shall do our best to respond. We want to sell defence equipment to Tunisia but they cannot afford to buy without generous credit terms which we cannot afford. We are working to find a way forward.

5. Tunisia is worried by the effects of EC enlargement and look to us for understanding.

6. On Arab-Israel, the Tunisians go with the Arab majority while acting for moderation where possible. On Western Sahara, Tunisians sympathy for Morocco is tempered by their need to remain on speaking terms with Algeria. Libya is an especial worry to Tunisia, though Essebsi claims that Qadhafi's recent visit has changed things for the better.

7. Since Bourguiba's recent visit to the US for medical treatment (his health has much recovered though he is frail), Essebsi's importance seems to have increased. He sees Bouguiba almost daily, like Prime Minister M'zali, and unlike other Ministers. Current rumour in Tunis is that M'zali may become Vice-President and that Essebsi may succeed him as Prime Minister.

8. Our objectives during the visit:

(a) To underline the importance we attach to good political and economic relations with Tunisia.

- (b) To try to add substance to our warm but thin relations, but without exciting exaggerated Tunisian expectations.
- (c) To reassure Tunisia that we do not take her Western orientation for granted.
- (d) To consolidate our links with a country whose post-Bourguiba policies could incline away from the West.
- (e) To encourage the Tunisians in their moderation, particularly towards the Arab-Israel dispute, and to persuade them of the value of EC policy towards the dispute.
- (f) To explain our policy on a wide range of issues.
- (g) To increase our share of the Tunisian market.
- (h) To encourage the Tunisians in their wish to look more to the UK and less to France.

9. Tunisian objectives:

- (a) To obtain a British contribution to the Tunisian 6th Development Plan.
- (b) To secure cheaper credit for defence sales.
- (c) To seek UK understanding of Tunisian security concerns over Libya and to a lesser extent Algeria.
- (d) To strengthen Tunisian links with Europe.



ESSEBSI, BEJI CAID

Foreign Minister.

Born 29 November 1926. Educated Sadiki College, Tunis, and Faculty of Law, Paris. Joined Hamman-Lif branch of the Neo-Destour party, 1942. Active among Neo-Destour students in Paris, where he was vice-president of the Association of Muslim North African Students, 1951.

Began his career as a lawyer in Tunis. Appointed to President Bourguiba's office, 1956. Secretary General, Tunis municipality. Appointed to the private office of the Minister of the Interior, Taieb Mehri. Director of Regional Administration in the Ministry of the Interior, 1958, and visited the United Kingdom in this capacity in 1960. Director of Tourism, 1961. Director of the sureté, 1963. Secretary General at the Ministry of the Interior, 1965/69. Minister of State for Defence, 1969/70. Named As Ambassador in Washington, September 1969, but did not go. Ambassador to France, July 1970; resigned November 1971 in protest against Bourguiba's autocratic handling of the PSD Congress at Monastir; left Paris, January 1972. Minister-delegate in Prime Minister Mzali's office, December 1980. Foreign Minister, April 1981.

Politically active throughout his career. Held office in the Hamman-Lif branch of the Neo-Destour. Elected to the PSD central committee, 1964, and to the Political Bureau, 1965. Deputy in the National Assembly, 1969. Resumed his legal practice after leaving the Paris Embassy and was one of the few liberal voices to be heard in the National Assembly until he lost his seat on being expelled from the PSD in 1974. Had some influence as a member of Ahmed Mestiri's Mouvement des Démocrates Socialistes 1977/78 and contributed to MSD journals. Later renounced hard-line tactics and was rehabilitated into the PSD, March 1980. Elected to the PSD central committee and appointed to the Political Bureau, April 1981.

A small man with a reputation for hard-working efficiency. Sometimes appears dour, but he is brisk, friendly, forthcoming and cheerful. He has a quick mind, but he also has a tendency to fire off unconsidered wisecracks.

Married, three children.

for Caroline

FILE


SW

25 February, 1982

Tunisian Foreign Minister

Thank you for your letter of 23 February. The Prime Minister is willing to see M. Essebsi and could do so at 9.45 on 10 March for 15 Minutes.

I should be grateful for a brief by close of play on 8 March. I shall take it, unless informed to the contrary, that M. Essebsi speaks adequate English and that no interpreter will be required.



A. J. COLES

John Holmes, Esq.,
Foreign and Commonwealth Office

B

Prime Minister



Foreign and Commonwealth Office

Not a high priority,
in my view.

London SW1A 2AH

Would you like to see him

23 February 1982

for 15 minutes at 9.45 on

10 March?

Yes no

A.F.C. $\frac{24}{2}$

Dear John,

Tunisian Foreign Minister

The Tunisian Foreign Minister, M. Beji Caid Essebsi, and his wife are paying an official visit to the UK from 10 to 12 March. The Tunisians have told us that Mr Essebsi will be bringing a letter to the Prime Minister from Tunisian Prime Minister Mzali and that he would particularly like to call on the Prime Minister to deliver it.

Both we and the Tunisians are keen to develop our relations, which are good but insubstantial. The Tunisians want us to take a greater interest, in line with their evident desire to move away from the French. There is plenty of scope for us to increase our share of the Tunisian market. The Tunisians themselves are anxious to increase trade with us and to increase the use of English in the country. We should also aim to bolster Tunisia's natural orientation towards Europe in order to reduce the possibility of a shift away from Western interests in the event of President Bourguiba's death. I should also add that when Mr Hurd visited Tunisia in 1981, he called on both Prime Minister Mzali and on President Bourguiba. (Mr Essebsi himself is good value: efficient and energetic, with a quick mind and a lively sense of humour.)

Lord Carrington believes it would serve our interests well if the Prime Minister could spare about 15 minutes for a call by Mr Essebsi between Wednesday morning, 10 March, and Friday morning, 12 March.

Yours ever

John Holmes

(J E Holmes)
Private Secretary

A J Coles Esq
10 Downing Street

SECRET
U.S. AIR FORCE



13 FEB 1981



22915

not 2.

Tunisia

SUBJECT.

PRIME MINISTER'S

PERSONAL MESSAGE

SERIAL No. T 112A/80 PRIME MINISTER

RÉPUBLIQUE TUNISIENNE

Le Premier Ministre

H. Amel

MAJ 29/5

Tunis, le 19 mai 1980

cc. Thatcher 025
ops

Son Excellence
Madame Margaret THATCHER
Premier Ministre

L O N D R E S

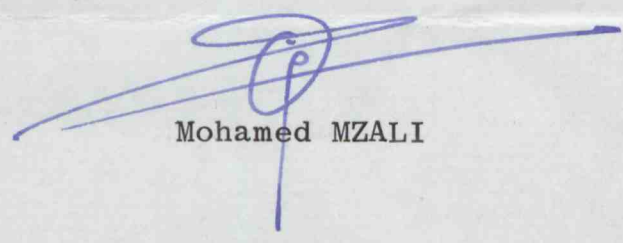
Madame le Premier Ministre,

J'ai été très sensible au message de félicitations que vous avez bien voulu m'adresser à la suite de ma nomination au poste de Premier Ministre, et je vous en remercie bien sincèrement.

Je saisis cette occasion pour vous assurer que mes efforts tendront au renforcement des liens d'amitié et de coopération qui unissent nos deux pays.

Je vous prie de croire, Madame le Premier Ministre, à l'assurance de ma parfaite considération.

avec honneurs distingués.



Mohamed MZALI

HEDI NOUIRA

17, Rue Procope - CARTHAGE

②

Prime Minister
+ f.a.

19/6

CARTHAGE, Thursday May 12th 1980

f.a.
19/6

19/6

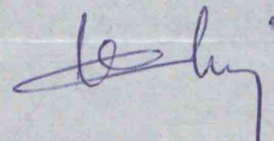
Dear Mrs Prime Minister,

I wish you to know how deeply I was touched by your kind note dated May the 6th.

Coming after the verbal kind thoughts which were conveyed to me on different occasions after my stroke, I wish to say how sensitive I am to all these expressions of sympathy especially when you link my period of office with the happy development of the warm relations between the United Kingdom and Tunisia.

Whilst expressing my gratitude for your good wishes, allow me to reciprocate by wishing you all success in carrying your task, which is not light, I bear witness, prosperity to the people of the United Kingdom and health to your good self and to all those you cherish.

Sincerely yours



To the Honorable Mrs Margaret THATCHER
The Prime Minister
10 Downing Street
LONDON

Subject



Free

Tunisia
cc: FCO

RH

10 DOWNING STREET

THE PRIME MINISTER

6 May 1980

~~PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T 107/80~~

Dear Prime Minister,

It gives me great pleasure to offer you my congratulations on your appointment as Prime Minister. I look forward to working in co-operation with you and your Government, to develop the already friendly relations between our two countries.

Yours sincerely

Raymond Delisle

His Excellency Monsieur Mohammad M'Zali

DSC



RH

ce: fco

10 DOWNING STREET

THE PRIME MINISTER

6 May 1980

Dear Monsieur Nouira.

I was sorry to hear of your recent illness and that you felt obliged to resign your post as Prime Minister.

During your period in office our relations have developed warmly and your services to the Tunisian Government and people have been held in high regard in this country.

I send you my best wishes for a speedy and complete recovery.

Yours sincerely
Margaret Thatcher

His Excellency Monsieur Hedi Nouira

259

Five

ass

6 May 1980

TUNISIAN GOVERNMENT CHANGES

I enclose the signed texts of the two messages enclosed with your letter of 2 May to me about changes in the Tunisian Government. The Prime Minister would be grateful if these could be delivered to their addressees by the Lord Privy Seal.

M. O'D. B. ALEXANDER

Paul Lever, Esq.,
Foreign and Commonwealth Office.

ABO



Foreign and Commonwealth Office

London SW1A 2AH

2 May 1980

Type for signature.

Dear Michael,

Tunisian Government Changes

There have been a number of Ministerial changes in Tunisia recently, including the appointment of a new Prime Minister, M. Mohammad M'Zali, the former Minister of Education. The Lord Privy Seal will be calling on him during his visit to Tunis next week.

Our Ambassador in Tunis has recommended that it would be appropriate for the Prime Minister to send a message of congratulations to M. M'Zali on his appointment. A separate message of good wishes to M. Nouria, the former Prime Minister who is retiring due to ill health, would also be well received.

/ I attach two draft messages, which we suggest should be delivered by the Lord Privy Seal.

Yours etc

Paul

(Paul Lever)

M O'D B Alexander Esq
10 Downing Street

DSR 11. (Revised)

DRAFT MESSAGE

DRAFT: minute/letter/teleletter/despatch/note

TYPE: Draft/Final 1+

FROM:

Reference

The Prime Minister

DEPARTMENT:

TEL. NO:

SECURITY CLASSIFICATION

TO:

Your Reference

- Top Secret
- Secret
- Confidential
- Restricted
- Unclassified

His Excellency
 M. Mohammad M'Zali
 Prime Minister of the Republic
 of Tunisia

Copies to:

PRIVACY MARKING

SUBJECT:

.....In Confidence

CAVEAT.....

It gives me great pleasure to offer you my
 congratulations on your appointment as
 Prime Minister. I look forward to working
 in co-operation with you and your Government,
 to develop the already friendly relations
 between our two countries.

Enclosures—flag(s).....

DRAFT: minute/letter/teleletter/despach/note

TYPE: Draft/Final 1+

FROM:

Reference

The Prime Minister

DEPARTMENT:

TEL. NO:

SECURITY CLASSIFICATION

TO:

Your Reference

- Top Secret
- Secret
- Confidential
- Restricted
- Unclassified

His Excellency
M. Hedi Nouira

Copies to:

PRIVACY MARKING

SUBJECT:

.....In Confidence

CAVEAT.....

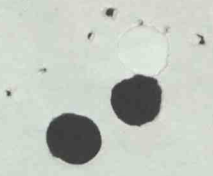
I was sorry to hear of your recent illness and that you felt obliged to resign your post as Prime Minister.

During your period in office, our relations have developed warmly and your services to the Tunisian Government and people have been held in high regard in this country.

I send you my best wishes for a speedy and complete recovery.

Enclosures—flag(s).....

21 MAY 1980



TIMES Extract 5.2.80

France protests to Libya over embassy wrecking

From Our Own Correspondent
Paris, Feb 4

The French Government is protesting vigorously after its embassy in Tripoli was attacked and wrecked by demonstrators this morning. The Libyan authorities are said to have ignored a request for protection from M Charles Malo, the ambassador.

France is reserving the right to seek appropriate damages and "to draw its conclusions from the affair on the matter of Franco-Libyan relations", a statement from the Foreign Ministry said.

M Malo, interviewed by telephone on French radio today said he was sure the attack was directly connected with recent events in Tunisia since the

demonstrators had been chanting: "Popular revolution in Tunisia".

The demonstrators had forced open the doors and destroyed everything they came across: "The walls were left standing but everything else was wrecked", he said.

Tripoli radio, monitored in Tunis, said the "impressive" demonstration was against the invasion of Tunisia by French forces and French attempts to make a French protectorate of Tunisia.

Tunisian target: The Tunisian embassy in Tripoli also came under attack by demonstrators this morning at about the same time as a mob was ransacking the French Embassy. Tunisian diplomats said in Paris.—
Agence France-Presse.

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FROM PARIS φ11758Z FEB 8φ

TO PRIORITY F C O

TELEGRAM NUMBER 161 OF 1 FEBRUARY 198φ

INFO PRIORITY TUNIS

INFO ROUTINE ALGIERS, TRIPOLI AND MODUK

TUNIS TEL NOS 31 AND 32 : EVENTS AT GAFSA (in Tunisia)

1. THE FIGHTING IN GAFSA HAS RECEIVED PROMINENT COVERAGE IN THE FRENCH PRESS. THE FIRST NEWS OF THE FIGHTING BROKE HERE WHEN A FRENCHMAN WORKING IN GAFSA TELEPHONED A FRENCH RADIO STATION. ALL PAPERS GIVE PROMINENCE TO THE ACCUSATIONS OF LIBYAN INVOLVEMENT AND TO THE ALLEGED ASSISTANCE GIVEN BY THE FRENCH AND THE AMERICANS.
2. THE HEAD OF NORTH AFRICA DEPARTMENT AT THE QUAI HAS CONFIRMED THAT THREE TRANSALL TRANSPORT AIRCRAFT AND TWO PUMA HELICOPTERS HAVE BEEN SENT TO TUNISIA. HE HAS ALSO CONFIRMED THAT THE ORDERS TO THREE FRENCH WARSHIPS TO CRUISE OFF SOUTHERN CRETE WERE ALSO INTENDED TO ASSURE THE TUNISIANS OF FRENCH SUPPORT. THE TUNISIAN AMBASSADOR, WHO WAS RECEIVED BY PRESIDENT GISCARD TODAY, SAID ON TELEVISION ON 31 JANUARY THAT THIS DISPLAY OF SUPPORT FOR TUNISIA WAS ENTIRELY JUSTIFIED BY FRANCE'S ROLE AS A MEDITERRANEAN POWER AND HER TRADITIONAL TIES OF FRIENDSHIP WITH TUNISIA.
3. THE QUAI CLAIM THAT THERE IS NO QUESTION OF ANY DIRECT FRENCH MILITARY INVOLVEMENT. THEY CONSIDER THAT THE TUNISIAN ARMY HAS THE SITUATION UNDER CONTROL AND THAT EXPRESSIONS AND DEMONSTRATIONS OF SUPPORT SO FAR GIVEN ARE PROBABLY ENOUGH. THE QUAI'S ASSESSMENT IS THAT THIS INCIDENT, WHILST A SERIOUS ONE, FORMS PART OF A LONG TRADITION OF LIBYAN SUBVERSION IN TUNISIA, PERSONALLY FOSTERED BY QADDAFI BECAUSE OF HIS DISAPPOINTMENT WITH THE FAILURE OF THE PROPOSED UNION BETWEEN TUNISIA AND LIBYA. THE LINKAGE WITH THE RIOTS OF 1979, FOR WHICH THERE WERE GENUINE INTERNAL REASONS IS, IN THE QUAI'S VIEW, A LIBYAN ARTIFICE. THE QUAI ALSO TAKE THE VIEW THAT QADDAFI IS LIABLE TO BE THE LOSER IN THE LONG RUN AS HE HAS BEEN ACCUMULATING BLUNDERS AT A RATE REMARKABLE EVEN FOR HIM. THE ALGERIANS, ACCORDING TO THE QUAI, ARE PARTICULARLY ANNOYED BY THESE EVENTS.

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4. THE FRENCH HAVE NO DEFENCE AGREEMENT WITH TUNISIA, BUT THEY HAVE AGREEMENTS TO PROVIDE TRAINING AND TECHNICAL ASSISTANCE TO THE TUNISIAN ARMED FORCES. THE FRENCH WOULD PROBABLY BE PREPARED TO PROVIDE BOURGUIBA WITH DIRECT MILITARY HELP IF HE REQUESTED IT AND IF THEY JUDGED HIS REGIME WAS IN DANGER OF FALLING THROUGH EXTERNAL SUBVERSION. WE HAVE HEARD THAT PRESIDENT GISCARD'S MILITARY CABINET SOME TIME AGO DREW UP DETAILED CONTINGENCY PLANS FOR MILITARY INTERVENTION IN TUNISIA. IN THE PRESENT CIRCUMSTANCES, IT IS REASONABLE TO ASSUME THAT THEY JUDGED THAT THE THREAT DID NOT WARRANT MORE THAN LOGISTIC SUPPORT.

5. IT IS RELEVANT TO NOTE THAT LIBYA IS REGARDED HERE AS BEING THE SUPPLIER AND SUPPORTER OF CORSICAN NATIONALIST TERRORISM. THE FRENCH GOVERNMENT HAS A MOTIVE NEAR HOME FOR BEING HELPFUL TO TUNISIA.

HIBBERT

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