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cc: JOT
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10 DOWNING STREET

THE PRIME MINISTER

15 October 1982

**PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T 192/82**

Dear Mr. President,

Thank you for your letter of 12 October about the proposed new Sierra Leone Airways service between Freetown and London. The goodwill to which you refer has been greatly valued, not only by the British Government, but also by British Caledonian who, as you know, are keen to welcome Sierra Leone Airways to the London/Freetown route. It is therefore a great pity that difficulties over the repatriation of British Caledonian's surplus revenues should have been a factor in delaying the introduction of the new service.

However, as the British High Commissioner has explained to you, and as was explained by a United Kingdom delegation which visited Sierra Leone in September, we consider that under the Bilateral Air Services Agreement to which you refer, British Caledonian has a clear entitlement freely to transfer its surplus money to Britain. The visiting team appreciated that given your country's current economic problems it would be unrealistic to demand full transfer as a condition for issuing the permit. It was for this reason that they proposed the formula for 'staged payments over a two year period. This seems to me a very reasonable offer

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and it is disappointing that there has so far been no positive response to it, nor any counter proposals which might resolve the problem.

The revenue to which British Caledonian are entitled under the Agreement has been building up over the past two years. I do not think it would be right for a new service to start, itself requiring a substantial input of foreign exchange, until satisfactory arrangements have been agreed to deal with the matter. May I therefore ask you to reconsider your position so that the proposed services can begin to operate as soon as possible.

Yours sincerely

Raymond Shalton

His Excellency Dr. Siaka P. Stevens, G.C.M.G., G.C.R.L., D.S.L.