

005

OUT TLF

PRIME MINISTER'S

PERSONAL MESSAGE

SERIAL No. T243/82

PRIORITY

Classification and Controls

CONFIDENTIAL

Subject on Guyana, Jan '80, call by President Burnham

ZCZC

GRS 395

CONFIDENTIAL

CONFIDENTIAL

31 DEC 1982

FM ODA LONDON 311130Z DECEMBER 1982

TO PRIORITY GEORGETOWN

TELEGRAM NUMBER MODEV 46 OF 31 DECEMBER

OUTWARD

INFO UKDEL IMF/IBRD WASHINGTON

PLEASE CONVEY FOLLOWING MESSAGE TO PRESIDENT BURNHAM FROM PRIME MINISTER: QUOTE

"WHEN WE MET ON 24 NOVEMBER I PROMISED TO CONSIDER YOUR REQUEST THAT UNUSED PORTION OF 1978 LOANS MIGHT BE USED TO REPAY MONEY OWING TO BRITISH FIRMS AND TO PURCHASE SPARES FOR BRITISH EQUIPMENT.

I AM HAPPY TO TELL YOU THAT I CAN NOW AGREE TO THIS IN PRINCIPLE, ALTHOUGH I FEEL WE MUST WAIT UNTIL YOU HAVE REACHED AN AGREEMENT WITH THE IMF BEFORE RELEASING ANY FUNDS. THE OVERSEAS DEVELOPMENT ADMINISTRATION, WHO ADMINISTER THE LOANS, WILL NOT IN ANY CASE HAVE SUFFICIENT FUNDS AVAILABLE UNTIL THE NEW FINANCIAL YEAR COMMENCING 1 APRIL 1983. SUBJECT TO AGREEMENT WITH THE IMF THERE WILL BE NO DIFFICULTY ABOUT EXTENDING THE TERMINAL DATES FOR THE LOANS.

I HAVE INSTRUCTED OUR DELEGATION TO THE IMF AND ^{THE} IBRD TO URGE AN

EARLY

LCP 77/596/01

ODA

M G BAWDEN

MR HURRELL; E739

MR B ATTEWELL, WIAD/FCO

213 5539

MS. E. MORHANTE TSY

PS NO. 10 DOWNING ST ✓

Handwritten signature

44747

OUT TELEGRAM (CONT)

Classification and Caveats

CONFIDENTIAL

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1 <<<<
 2 EARLY AGREEMENT WITH YOUR GOVERNMENT AND TO ADOPT A SYMPATHETIC
 3 APPROACH IN DISCUSSIONS ON YOUR DEBT PROBLEMS". UNQUOTE
 4 2. AT HIS MEETING WITH THE PRIME MINISTER MR BURNHAM SPOKE
 5 ONLY IN GENERAL TERMS ABOUT RELEASING FUNDS TO PAY OFF CERTAIN
 6 BRITISH COMPANIES AND SO THAT GUYANA COULD PURCHASE BRITISH EQUIP
 7 MENT AND SPARES FOR CERTAIN PROJECTS. IT WOULD BE HELPFUL IF
 8 YOU COULD ELUCIDATE MORE PRECISELY WHAT HE HAD IN MIND (IE
 9 WHICH BRITISH COMPANIES, WHICH BILLS ARE WE BEING ASKED TO
 10 PAY AND WHAT PROJECTS HAS THE GOVERNMENT IN MIND FOR WHICH THE
 11 UK MIGHT BE ASKED TO PROVIDE SPARES). YOU WILL KNOW FROM OUR
 12 MODEV 30 OF 20 DECEMBER TO WASHINGTON (COPIED TO YOU) WE ARE
 13 ASSUMING BURNHAM WAS REFERRING TO MONIES OWED TO REID MARLIK
 14 AND TAYLOR WOODROW, BUT WE NEED CONFIRMATION OF THIS FROM THE
 15 GUYANA GOVERNMENT BEFORE APPROACHING THE FIRMS CONCERNED AND
 16 PREPARING A DETAILED SUBMISSION TO MINISTERS.
 17 3. YOU WILL NOTE OUR IN PRINCIPLE AGREEMENT TO USE UNCOMMITTED
 18 LOAN MONIES IS SUBJECT TO GUYANA REACHING AGREEMENT WITH THE
 19 IMF. WE ARE ARRANGING FOR YOU TO GET A COPY OF WASHINGTON'S
 20 TELELETTER OF 22 DECEMBER REPORTING ON THE DONORS MEETING.
 21 FROM THAT YOU WILL SEE IMF LIKELY TO VISIT GUYANA IN FEBRUARY AND
 22 IF AGREEMENT IS REACHED THAT WILL FORM THE BASIS FOR FURTHER
 23 CONSIDERATION AT DONORS MEETING SCHEDULED FOR WEEK BEGINNING
 24 21 MARCH.
 25 4. BESIDES INFORMATION REQUESTED PARA 2 ABOVE GRATEFUL YOU
 26 ALSO KEEP US INFORMED GENERALLY OF DEVELOPMENTS.

27
 28 PYM
 29 NNNN

DESPATCHED BY

9 30 5 JAN 1983

TELEGRAPH NO

NTSIN ends
 telegram

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Catchword