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DESKBY DUBAI AND ABU DHABI 221430Z

FM F C O 221200Z DEC 80

TO IMMEDIATE DUBAI

TELEGRAM NUMBER 76 OF 22 DECEMBER 1980

AND TO IMMEDIATE ABU DHAB!

INFO MODUK (EXCLUSIVE FOR HDS AND PS/PUS)

As Vand

MY TELNO 74: HAWK AIRCRAFT.

1. THE PRIME MINISTER IS EXTREMELY CONCERNED THAT WE MAY DESPITE THESE EFFORTS LOSE THE HAWK CONTRACT WHICH IS VITAL TO THE FUTURE PROSPECTS NOT ONLY OF THE AIRCRAFT BUT POSSIBLE OF BAE ITSELF.

SHE IS, THEREFORE, ASKING THE MINISTER OF STATE, MR HURD, TO FLY TO ABU DHABI AS SOON AS POSSIBLE, ACCOMPANIED BY THE HEAD OF DEFENCE SALES, SIR R ELLIS, AND MR F PAGE OF BAE. H M AMBASSADOR WILL ALSO BE RETURNING WITH THE PARTY. WHEN YOU SEE SHAIKH ZAID THIS EVENING YOU SHOULD ADD TO THE POINTS SET OUT IN THE TELEGRAM UNDER REFERENCE THAT IN THE CONTEXT OF OUR GENERAL COOPERATION, THE PRIME MINISTER AND I ATTACH PARTICULAR IMPORTANCE TO THE HAWK CONTRACT WHICH IS NOW UNDER DISCUSSION. SHE HAS, THEREFORE, ASKED MR HURD TO FLY OUT URGENTLY TO EXPLAIN TO SHAIKH ZAID OUR POSITION ON THIS AND WOULD HOPE THAT SHAIKH ZAID WOULD BE ABLE TO SEE HIM AND HIS PARTY AT AN EARLY OPPORTUNITY PREFERABLY TOMORROW, 23 DECEMBER.

2. GRATEFUL IF YOU COULD TELEPHONE PRELIMINARY REPORT ON SHAIKH ZAID'S REACTION TO THIS PROPOSAL FROM AL AIN SO THAT ABU DHABI CAN REPORT IT BY IMMEDIATE DESKBY TELEGRAM. SUBJECT TO THAT, MR HURD AND HIS PARTY WILL LEAVE TONIGHT EITHER BY COMMERCIAL FLIGHT OR BY RAF VC10, ETA TOMORROW MORNING. HOWEVER, IF, NOW THAT KHALIFA IS NOT DUE BACK UNTIL 28 DECEMBER, SHAIKH ZAID SUGGESTS A LATER DATE AND CONFIRMS THAT NO DECISION ON THE AWARD OF THE HAWK CONTRACT WILL BE MADE IN THE MEANTIME, WE COULD LOOK AGAIN AT THESE ARRANGEMENTS.

CARRINGTON LIMITED MEFENCED PSIMPHURI PSIMPHURI

SIR. J. ARAHAM SIR. A. ACLAND MR. J. MOBERLY COPIES TO: PS/NOIO DOWNING ST.