



(2)

Prime Minister

Ln.
 Pmt - 14/1

Prime Minister.

A satisfactory outcome at least
 as far as UKMTAS is concerned. There
 are of course other aspects of the problem
 still to be pursued.

Pmt - 9/1

OVERSEAS AND DEFENCE EXPENDITURE (MISC 42)

Since the Foreign and Commonwealth Secretary minuted to you on this subject on 19 December 1980, I have seen the Defence Secretary's minute of 23 December 1980, and the Chief Secretary's minute received yesterday.

2. I note that the Chief Secretary is prepared to make available £2 million as an addition to the Foreign and Commonwealth Office programme, provided that a further £2 million is found from existing programmes; and that the Defence Secretary for his part can agree to provide £1 million from the MOD programme on the understanding that a similar sum is provided from the Foreign and Commonwealth Office for UKMTAS.

3. As the Foreign and Commonwealth Secretary said in paragraph 5 of his minute, he would have much preferred that the aid budget should not be required to contribute £1 million for this purpose. In the circumstances, however, I am now prepared to agree that £1 million should be made available from this budget as proposed by Sir Robert Armstrong. I hope this therefore enables us to go ahead on the basis that the necessary £4 million will be found in the ways now offered.

4. I am copying this minute to the Chancellor of the Exchequer, the Defence Secretary, and to Sir Robert Armstrong.

1.49.

7 January 1981