

Ops cc Motes
Subject

Sent on 2.9.83

Defense Sales, Pt 3.



10 DOWNING STREET

THE PRIME MINISTER

**PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. 124A/83**

My dear Prime Minister,

I am sorry that I did not get the opportunity to discuss your letter of 12 May about the Tornado weapons system at the Stuttgart Summit in June, but I understand that Chancellor Kohl reaffirmed our strong support for the selection of this aircraft for the Hellenic Air Force and the importance which we attach to this decision. The tri-national company PANAVIA and the three partner governments in the Tornado consortium have studied your letter in detail and we believe that all the points you raised have now been satisfactorily resolved in discussion with the Hellenic Air Force.

Michael Heseltine, with whom I have discussed this, will be able to explain to you the unique advantages of the offer that has now been put forward. The much improved financial terms include a fixed price and a revised credit package.

The main point that I would like to stress about Tornado is that it is a proven success already in large scale production. 250 Tornados have already been delivered to the Armed Forces of three European countries, and this figure will have risen to 425 by the time of the first delivery to Greece. The experience that this represents would be a major plus for Greece as the new Tornado partner. It is a magnificent aircraft, which, particularly if you decide to undertake the final assembly in Greece, will provide a valuable transfer of high technology to your country.

/ Chancellor Kohl

Chancellor Kohl and the Government of Italy share with me the view that the purchase of Tornado is of major importance in cementing the defence, political and commercial links between Greece and three of her major European partners. It would be an excellent basis for the future development of these ties.

Yours sincerely

Norberto De Mello

His Excellency Mr. Andreas Papandreou.