

SECRET

(for mtg. follow on) 6/5



Foreign and Commonwealth Office

London SW1A 2AH

6B

29 April 1983

Dear John,

Future of Hong Kong: Visit of Sir Y K Pao

The Prime Minister is seeing Sir Y K Pao on 5<sup>6</sup> May. The following is what we know of Sir Y K's recent contacts with the Chinese. The Ambassador in Peking is not aware of Sir Y K having visited China since last September. The Governor of Hong Kong, however, has reported that Sir Y K met Vice Premier Yao Yilin in Tokyo a few weeks ago, and that the two had a brief exchange on Hong Kong. In addition, immediately before his visit to London, Sir Y K will be in Shanghai for the launching of a ship. It is possible that while there he will see the Mayor, Wang Daohan, who has on occasions spoken to visitors about Hong Kong.

No information about the talks on the future has been passed to Sir Y K from our side. But both the Ambassador and the Governor consider it a possibility that the Chinese may indirectly or directly have informed Sir Y K of the Prime Minister's letter to Premier Zhao. The Ambassador has warned against anything being said to him here which he might subsequently misrepresent to the Chinese, so distracting their attention from the content of the Prime Minister's message. But, if Sir Y K mentions it, there would seem to be no harm in confirming, in strict confidence, that there has indeed been a message, the purpose of which was to set out our position clearly and to encourage the Chinese to begin serious negotiations.

Yours ever

(J E Holmes)  
Private Secretary

A J Coles Esq  
10 Downing Street

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29 APR 1993

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FM PEKING 210800Z APR 83  
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TELNO 355 OF 21 APRIL  
RPTD INFO HONG KONG.

YOUR TELNO 369: FUTURE OF HONG KONG: SIR Y K PAO

1. AS FAR AS WE ARE AWARE SIR Y K PAO HAS NOT VISITING PEKING SINCE LAST SEPTEMBER. IN THE PAST HE HAS BEEN A REGULAR VISITOR AND WE SHOULD NOT BE SURPRISED IF HE WERE TO COME HERE SOON, PERHAPS SHORTLY AFTER HIS TRIP TO LONDON. IF SO, HE COULD NO DOUBT TALK TO CHINESE LEADERS ABOUT HIS CALLS ON THE PRIME MINISTER AND THE SECRETARY OF STATE. THEY MAY TELL HIM, IF HE DOES NOT ALREADY KNOW, ABOUT THE PRIME MINISTER'S LETTER TO ZHAO.

2. PAO HAS HIS OWN FISH TO FRY AND IS TOTALLY UNSUITABLE AS AN INTERMEDIARY. HE CANNOT BE RELIED ON TO REPORT ACCURATELY TO ONE SIDE WHAT HAS BEEN SAID TO HIM BY THE OTHER. THEREFORE HOPE THAT MINISTERS WILL TAKE AS CAUTIOUS AND ANODYNE A LINE AS POSSIBLE IN SPEAKING TO HIM. HE MAY HAVE HIS OWN IDEAS, AND WILL PERHAPS REVIVE HIS IDEA OF A UK/HONG KONG LOAN TO CHINA. IT IS IMPORTANT THAT NOTHING SHOULD BE SAID TO HIM WHICH HE MIGHT PICK UP AND USE, PROBABLY IN DISTORTED FORM, WITH THE CHINESE. THE LAST THING WE NEED IS FOR PAO TO DISTRACT THEIR ATTENTION FROM THE MESSAGE IN THE PRIME MINISTER'S LETTER.

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NEWS. D.

PS  
PS/LORD BELSTED  
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MR. DONALD

THIS TELEGRAM  
WAS NOT  
ADVANCED

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