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NISP  
AT 187  
CE NO.

FROM: CHIEF SECRETARY

DATE: 19 July 1985

PRIME MINISTER

## VEHICLE EMISSION

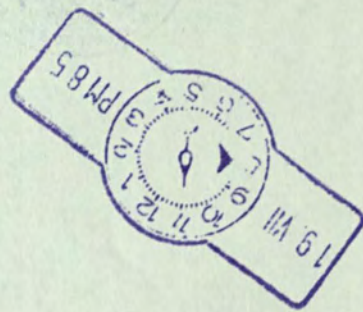
Norman Tebbit's minute of 15 July warns of unfinished business as to the impact on BL of the proposed vehicle emissions directive.

2 I gather that BL's off-the-cuff estimate is that some £200 million of extra costs will be incurred by complying with the draft directive, and this substantial figure clearly justifies detailed scrutiny. If we can review the results of this scrutiny in the overall context of BL's 1986 Corporate Plan, then it makes obvious sense to do so. But if there is any risk that BL will breach the £680 million cap on borrowing at the end of this year, then we should aim to bring forward the review to the early Autumn.

3 Copies of this minute go to the Secretaries of State for Foreign and Commonwealth Affairs, Trade and Industry, Environment and to Sir Robert Armstrong.

PETER REES

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COMPTON