

cc Press
Mr Duguid 2/11



Prime Minister

CONFIDENTIAL

MND 29/11/16

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PRIME MINISTER

You will wish to know the outcome of my recent meeting with my French opposite number on the question of a fixed Channel link.

My meeting with M. Hoeffel was fairly encouraging. He had spoken to President Giscard about our interest in a fixed link if the right privately financed scheme could be found. He went out of his way to underline the importance of cooperation between us on transport matters. And, although he indicated clearly that the French Government does not want any overt moves until after the Presidential election, my strong impression was that there is considerable interest on the French side in reviving a suitable project; and that they would welcome a private capital approach.

I am expecting to receive next month details of the single bore tunnel scheme being developed by the two Railways and also various other proposals - for bridges as well as tunnels - from various private consortia. In addition I hope to have advice from the five Merchant Banks involved last time on private financing prospects; whilst the Select Committee's Report on their Inquiry should be to hand about the same time.

We shall then be in a position in which I can begin seriously to make progress in forming a view on whether a good commercial scheme exists which could be privately financed and on which Britain and France could agree.

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At this stage some joint study would obviously be essential. I have accordingly arranged to see M. Hoeffel again shortly after the Presidential elements; and he readily agreed that, meanwhile, informal technical discussions should continue between the two Railways and between officials. I remain hopeful - as I told the Select Committee last month - that preliminary joint conclusions might be possible by the end of next year.

Copies of this minute go to Geoffrey Howe, Peter Carrington and Sir Robert Armstrong.

N.F.

NORMAN FOWLER
22 December 1980

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Transport

2 January, 1981

The Prime Minister was grateful for the Minister of Transport's report, in his minute of 22 December, of his discussions with M. Hoeffel on the question of a fixed Channel link.

I am sending copies of this letter to Peter Jenkin (HM Treasury), Francis Richards (Foreign and Commonwealth Office) and David Wright (Cabinet Office).

M. A. PATTISON

A Mayger Esq
Department of Transport

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