



Foreign and Commonwealth Office

London SW1A 2AH

1 November 1985

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Dear Charles,

Maldives: Access to EC/Malé Hospital

In your letter of 20 October you referred to two matters raised with the Prime Minister in Nassau by President Gayoom of the Maldives. The Prime Minister promised to write in reply and I now enclose a draft which the Prime Minister might send.

President Gayoom's first point about preferential access to the EC caused us some surprise. Under the General Scheme of Preferences the Republic of Maldives already has duty-free access for an unlimited quantity of tuna fish. Countries without such an exemption pay 18-24% duty.

The Maldives have on several occasions expressed interest in acceding to the Lomé Convention, so as to benefit from the preferential trade arrangements and aid financing available under the Convention. These overtures have led nowhere - due largely, we suspect, to the reluctance of African, Caribbean and Pacific (ACP) member countries to see their advantageous position in relation to the EC eroded by the inclusion of new members from other areas.

As to the question of the new hospital being built in Malé, the ODA have been in contact with the Maldives Government over possible UK assistance for the project and have already undertaken to provide a package of equipment at an appropriate stage. President Gayoom may not be aware of this commitment. The information we have, however, is that the hospital is not in fact anywhere near completion. The ODA are expecting to receive a progress report in early November, after the planned visit to the Maldives of our Aid Secretary from Colombo.

Yours ever,  
 Le Appleyard  
 (L V Appleyard)  
 Private Secretary

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