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MO 26/11/9

1st August 1985

NBIM
CM
2/22EUROPEAN FIGHTER AIRCRAFT

Many thanks for your letter of today's date following up our discussion this morning.

I am delighted that we are agreed on the "bottom line" in the event that a five-nation agreement were to appear negotiable at this afternoon's meeting of National Armaments Directors in Turin, and that this should be based on the detailed proposals in my note to the Prime Minister of 26th July. I was happy to accept the details in Mr Yates' letter of 26th July to one of my officials since they reflect his understanding of the outcome of the meeting upon which I drew in circulating my original minute. (I also have no difficulty with Sir Raymond Lygo's comment since it is self evidently the case that we would seek an equitable share of the project for British industry and we have defined together over many months what this would comprise and what elements were negotiable).

I am therefore proceeding on the basis which I established at my meeting last Thursday with senior representatives of the companies concerned, the Chief of the Air Staff and my other senior military advisers, and your Minister of State.

I am copying this letter to the other recipients of yours.

Michael Heseltine

The Rt Hon Norman Tebbit MP

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DEFENSE : Procurement
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