

PRIME MINISTER

Mr Carewedge |
How about August
13 at 15.45-16.15.
No 10.
ef. 18/7.

Sir Lawrence Kadoorie

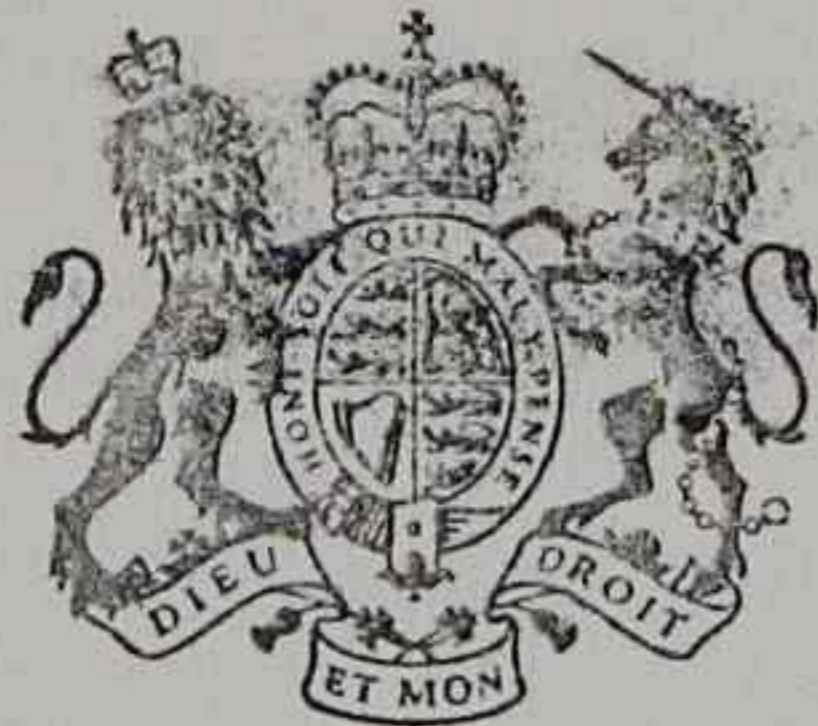
Sir Lawrence Kadoorie originally intended to visit London during the first week of August, partly in order to call on you. He has been told that you will be in Lusaka at that time, and has accordingly changed his plans in order to make himself available while you are in London.

Sir Lawrence is, as you know, a very key figure in our trade with Hong Kong, especially in the field of power generation, and the Department of Industry consider that continuing contact with him at the highest level is essential if we are to win still further major contracts from the China Light and Power Company.

Could you agree to see Sir Lawrence on Wednesday, 29 August, at 1130?

But *couldn't I do it before I go away -*
Yes not. *holding?*

18 July, 1979.



10 DOWNING STREET

From the Private Secretary

20 July 1979

~~BF 9/8/79~~

Sir Lawrence Kadoorie

Thank you for your letter of 13 July, letting me know that Sir Lawrence Kadoorie had offered to re-arrange his programme in August in order to be in London at a time when the Prime Minister might be able to receive him.

The Prime Minister has seen your letter and would be very glad if Sir Lawrence were able to call on her at No.10 on Monday, 13 August at 1545. I should be grateful if you would arrange for Sir Lawrence to be informed and if you would confirm as soon as possible that he will be able to call at the time suggested.

I should also be grateful if briefing for the Prime Minister's talk with Sir Lawrence Kadoorie could reach me by 1700 on Thursday, 9 August.

I am sending a copy of this letter to Stephen Wall (Foreign and Commonwealth Office).

B. G. CARTLEDGE

Andrew Duguid, Esq.,
Department of Industry.

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x 2760



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PS/Secretary of State for Industry

13 July 1979

Bryan Cartledge Esq
Private Secretary to the
Prime Minister
10 Downing Street
London SW 1

Dear Bryan,

You wrote to me on 5 July in reply to my letter of the 4th, explaining that the Prime Minister was unable to see Sir Lawrence Kadoorie during the period he proposed, since this coincided with the Commonwealth Heads of Government Meeting in Lusaka. As you requested we passed on this message to Sir Lawrence in Hong Kong, with the Prime Minister's hope that a meeting might be possible next time.

Sir Lawrence has responded by saying that he would very much like to see the Prime Minister later in the Summer, and that he will make himself available for this purpose any time between 30 July and 4 September, excepting 21-26 August inclusive.

Sir Lawrence's particular reason for wishing to see the Prime Minister during this period is that he is thereafter in the Autumn visiting New York and Houston for important discussions with Exxon. Exxon and Sir Lawrence Kadoorie's company, China Light and Power, are together, through a joint company (KESCO), purchasing the first two units of the new Castle Peak power station in Hong Kong from the UK through the special package led by this Department.

KESCO is now opening negotiations in Hong Kong on the UK offer for the third and fourth Units, of value to the UK £75 million; and it is already clear that Exxon are particularly emphatic about the need for the UK Government's continued interest in the project. If Sir Lawrence were unable to see the Prime Minister before going, he would feel vulnerable on this point in the States.

Officials from this Department can confirm from first-hand experience the strength of Exxon's opinions in this matter. It is our view that if Sir Lawrence were not to see the Prime Minister this might be interpreted by Exxon, however unreasonably, as a diminution of the Government's interest in the project, and could harm the UK's prospects of winning the next two units.

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/We ...



We hope the Prime Minister can therefore meet Sir Lawrence during this extended period; we should again notify Sir Lawrence directly.

My Secretary of State will himself be seeing Sir Lawrence on 1 August, after which full briefing would be provided.

Yours sincerely,

Andrew

ANDREW DUGUID
Private Secretary

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FILE

VUB

Hong Kong

5 July 1979

You wrote to Clive Whitmore on 4 July about the forthcoming visit to the U.K. of Sir Lawrence Kadoorie.

Unfortunately, the period of Sir Lawrence's visit (28 July to 8 August) coincides exactly with the Commonwealth Heads of Government Meeting in Lusaka, which the Prime Minister naturally proposes to attend. I should therefore be grateful if you would arrange for Sir Lawrence to be told that the Prime Minister very much regrets that she will be unable to see him on this occasion but hopes that a meeting may be possible when next he comes to London.

B. G. CARTLEDGE

Andrew Duguid, Esq.,
Department of Industry.

SDP



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Secretary of State for Industry

Clive Whitmore Esq
Private Secretary to the
Prime Minister
10 Downing Street
London SW1

7 July 1979

Dear Clive,

In her letter of 11 June to Sir Lawrence Kadoorie the Prime Minister stated that she looked forward to a further discussion with Sir Lawrence perhaps when he was next to visit the UK.

Sir Lawrence will be in the UK between 28 July and 8 August, and has asked whether it would be possible to pay a courtesy call on the Prime Minister. We would advise her to see Sir Lawrence.

As the background to the previous correspondence explained, Sir Lawrence is a keen China watcher and his judgment on developments in China and Hong Kong are always valuable. As an ardent Anglophile he has helped British industry to secure important power plant projects in Hong Kong valued at several hundred million pounds. China Light and Power, of which he is Chairman, is also about to negotiate a possible further large power plant order. The Department of Industry will, as in the past, take a leading part in the negotiations. A meeting with Sir Lawrence would thus be both timely and politic.

If the Prime Minister agrees to a meeting, perhaps you would confirm a date and time. We will liaise direct with Sir Lawrence.

Yours sincerely,

Andrew Duguid

ANDREW DUGUID
Private Secretary

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Department of Industry

- 5 JUL 1979

