



BEMANR

cc: Fco

10 DOWNING STREET

THE PRIME MINISTER

20 May 1985

Dear General Ershad,

Thank you for your letter of 22 April about the Bonn Economic Summit. The problems of the developing countries and in particular the poorest countries were very much in our minds during the Summit. I am sending you with this letter a copy of the Bonn Economic Declaration for your records.

We recognised in the Declaration the difficulties which countries such as Bangladesh are facing and we agreed that official development assistance, especially to the poorer countries, should be maintained and wherever possible increased. The World Bank Group has a major role to play in helping developing countries and we agreed to work to ensure that both it and the IMF have the resources necessary to fulfil their important tasks. As you know, we have since agreed, at this week's World Bank Donor Group meeting in Paris to pledge £50m of aid to Bangladesh, covering both new project aid and commodity aid.

We shall continue to work with the developing countries in a spirit of partnership. In this respect, among the most important agreements reached at the Summit were the commitment to maintain non-inflationary growth in our own countries, and our agreement on the need to launch a new GATT

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round. We aim to sustain the recovery, which has begun to spread from the industrialised countries to the developing world, and to maintain the open trading system which is of such importance to all our countries.

With best wishes,

Yours sincerely

Nargis Hatter

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His Excellency Lt. Gen. Hussain Muhammad Ershad