From: Paul J.D. Coleridge

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15th July 1988.

Sir Robin Butler KCB CVO Cabinet Office, 70, Whitehall, London SW1A 2AS

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Asphalte House, Palace Street, London, SW1E 5HS

CABINET OFFICE 15 JUL 1988 FILING INSTRUCTIONS FILE No.

Dear Sir Robin,

I have been asked by the Trustees and Protectors of the Thyssen-Bornemisza Collections Trust (whom I shall refer to below as 'The Trustees') to write to you in relation to the proposal by Her Majesty's Government of 19th May 1988. I trust that neither the Prime Minister nor other ministers involved in this matter will consider it discourteous if I communicate solely with you; in view of your personal involvement and position it would seem the simplest line of communication.

At their recent meeting the Trustees considered the proposal of 19th May. So far as the merits of the proposal are concerned, whilst there may be aspects upon which considerable further discussion would be required, overall they would wish to endorse wholeheartedly the views expressed by Baron Thyssen-Bornemisza in his letter to the Prime Minister of 30th May. The proposal is indeed both impressive and carefully thought out. As Trustees we were very grateful and honoured to receive it.

As you are aware following upon discussions with and proposals from other governments and institutions over the past eighteen months, Baron Thyssen-Bornemisza signed a preliminary accord with the Government of the Kingdom of Spain on 7th April this year. This accord would, when fully developed into a formal agreement involve a loan of about 600-700 paintings for a period approaching ten years for display in the Villahermosa Palace in Madrid. The Trustees, prior to receipt by them of the 19th May proposal from HMG, indicated to the Spanish Government that they would seek to try and achieve an agreement along the lines of that preliminary accord. The process towards that agreement is now being pursued. agreement is now being pursued.

The proposed arrangements with Spain state that during the course of the loan period it is contemplated that discussions will take place to see whether a long term solution for the paintings to remain in Madrid is achievable. Accordingly, at this time the Trustees do not feel that it would be appropriate

to enter into discussions with other interested governments or institutions in advance of the commencement of the loan period.

The Trustees appreciate that HMG's proposal cannot remain on the table beyond the end of this month and have had to take that into account in their deliberations. However, we hope that perhaps we might be at liberty to contact HMG again in the event that circumstances change at some time in the future.

In the meantime the Trustees would wish to communicate their sincere gratitude to the Prime Minister, other members of the Government and yourself for the great interest shown in respect of the future housing of this outstanding art collection.

Please communicate the contents of this letter to the Prime Minister and other ministers as you think appropriate.

Paul Coleridge.