

the department for Enterprise

The Rt. Hon. Nicholas Ridley MP

Secretary of State for Trade and Industry

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ACTION ON SANCTIONS FOLLOWING RECENT SOUTH AFRICAN GOVERNMENT INITIATIVES

My Secretary of State has seen your letter of 3/February and also the response from Stephen Wall at the FCO.

He supports the course of action proposed and particularly welcomes the suggestion that we should consider lifting the ban on Government funding for certain trade promotion activities. Lifting this ban, which is not maintained by all our competitors (including some European Community members) would be of considerable help to UK exporters.

In the four years before the suspension of Government funding, the British Overseas Trade Board (BOTB) supported more than 50 missions and 10 groups going to trade fairs.

Since the suspension, there have been only a few independently financed trade missions. Though the level of UK exports to South Africa has achieved a steady increase since the suspension, it has not been as significant as the increases achieved by some of our competitors, including one or two of those European Community states which are not party to the suspension.

Restoring BOTB funding for missions and groups going to trade fairs would be of immediate and direct benefit to UK exporter and my Secretary of State hopes the Prime Minister will agree to action on this.





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I am copying this to Stephen Wall (FCO), John Gieve (HM Treasury) and Sonia Phippard (Cabinet Office).

MARTIN STANLEY Principal Private Secretary



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