



10 DOWNING STREET

THE PRIME MINISTER

file Saudi Arabia
2 July 1987

Your Royal Highness,

I was pleased to learn that Your Royal Highness was able to accept my assurances regarding jurisdiction and to sign an Agreement between our two Governments covering the preparation and subsequent execution of a detailed plan for the modernisation and development of the National Guard's medical services and the acceptance, commissioning and operation of the Jeddah Hospital. I am sure this project will enable our existing, happy relations with the National Guard to develop further.

I have noted that the Agreement also provides for the United Kingdom Government to arrange for the acceptance, commissioning and operation of the Riyadh Hospital if the National Guard so requests. I should like to take this opportunity to assure Your Royal Highness of the many advantages to the National Guard of awarding that Hospital also to the United Kingdom Government.

These would include the assurance of common standards of medical practice and training thus enabling the interchange of qualified staff and equipment between the two hospitals. Saudi nationals, who are being trained to undertake the work of the project, will also be able to move more freely between the two hospitals. Moreover, the additional costs arising from the duplication of management teams within the National Guard and the two Governments, and of procurement systems, spares holdings and supplies of drugs will be avoided.

/ On the other

On the other hand, the employment of another Government for the Riyadh Hospital will result in the development of different practices and systems at the two hospitals. This would hinder the National Guard's desire to achieve a common system for acceptance procedures. It would also complicate associated warranty claims arising from the Guard's dealings with the Eurosystem Health Consortium.

I most strongly commend to Your Royal Highness the United Kingdom Government's proposals for the Riyadh Hospital so that the National Guard will be ensured of the common standards of medical practice and training which are essential to achieving a comprehensive medical service of the high standard required by the Guard.

I hope that Your Royal Highness will be able to accept these assurances, and our renewed commitment to assist the National Guard in this important task. I should also like to send to your Royal Highness my own personal best wishes.

Yours sincerely,

Rangaraj Thakur

His Royal Highness Prince Abdullah Bin Abdul Aziz Al Saud

no 13
Sandra Adria

MR. INGHAM

You have seen a copy of Jonathan Dawson's letter to me of 22 May about the SANGMED project. The Prime Minister has expressed some unhappiness that there has been so little reference in the press to the fact that the successful landing of this contract was, at least in part, the result of work done during her own visit to Riyadh. She would hope that some way might be found to emphasis that aspect.

MODBA

29 May 1981

IN CONFIDENCE - UNTIL ANNOUNCEMENT



MO 5/3/3

MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1
Telephone 01-9307022 218 2111/3

Copy to Mr Ingham.
Review
Appt for the Guardian
I haven't seen any
reference in the Press
to the fact that this
was over the
contract
really worked at in
the build to it.
Help to

Prime Minister
Good news.
for
rev.

22nd May 1981

Don

Michael,

SAUDI ARABIAN NATIONAL GUARD
MEDICAL SERVICES PROJECT (SANGMED)

I have heard from our Sales Director that HRH Prince Abdullah has accepted the Prime Minister's assurances regarding jurisdiction over the members of the Ministry of Defence Team, and their dependants, which is to monitor the SANGMED project in Saudi Arabia. All other problems have been solved. The draft documents have now been initialled by both sides and we expect them to be signed by Prince Abdullah and Sir James Craig over the weekend.* I have arranged for our Resident Clerk to advise you as soon as the texts are signed.

The agreement provides for HMG, in consultation with the National Guard, to prepare and subsequently execute a detailed plan for the modernisation and development of the Guard's medical services. Part one of this plan is the subject of the first Letter of Offer and Acceptance, which will be signed with the Agreement, for the acceptance, commissioning and operation of a 500 bed hospital in Jeddah. It is worth £150M over two years.

This deal has been negotiated by a small MOD team, with support from the DHSS, led by one of our Principals in the Defence Sales Organisation, Mr Andrew Ravenhill, who has himself spent six months in Riyadh for the purpose, and against fierce competition from the Belgians (who built the hospital), the French and the Americans. The UK prime contractor will be the International Hospitals Group Ltd.

Continued

Arrangements are being made for a press announcement as soon as we can confirm that Prince Abdullah wishes to have publicity.

I am copying this letter to Francis Richards (FCO)

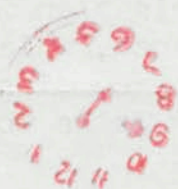
Yours

(J D S DAWSON)
J D S Dawson

M O'D B Alexander Esq

IN CONFIDENCE - UNTIL ANNOUNCEMENT

MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1



22 MAY 1981



MO 5/3/3

MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1
Telephone 01-~~336 7022~~ 218 2111/3

1st July 1981

Dear Michael,

SAUDI ARABIAN NATIONAL GUARD MEDICAL SERVICES PROJECT (SANGMED)

As you know, the Memorandum of Understanding with the National Guard covering the SANGMED project was signed on 24th May. The first Letter of Offer and Acceptance (LOA) also signed on that day related to the commissioning of the Jeddah hospital and the preparation of a detailed plan for the modernisation and development of the Guard's medical services.

The LOA included an option to undertake the acceptance, commissioning and operation of the Riyadh hospital if the Guard so requests. We are aware of strong American pressure on Prince Abdullah (the Commander of the Guard) to award the Riyadh hospital to them, and that a decision is imminent. We are, however, advised that Prince Abdullah is still of a mind to award Riyadh to us but will need every encouragement to do so, and a very reliable source has said that a letter from the Prime Minister to Prince Abdullah would serve our cause well, if one could be despatched quickly. I therefore enclose a draft of a letter, which has been endorsed by my Secretary of State. If the Prime Minister is content to sign the letter, I shall arrange for its rapid transmission to the Kingdom.

I am copying this letter to Francis Richards (FCO) and to David Wright (Cabinet Office).

Yours sincerely
J D S Dawson

(J D S DAWSON)

M O'D B Alexander Esq

S. Arabia



10 DOWNING STREET

THE PRIME MINISTER

29 May 1981

Dear Mr. Petty,

Thank you so much for your letter of 26 May. I am, of course, delighted that the International Hospitals Group has won the SANGMED contract. I hope that it will lead on to many more similar successes.

We worked very hard to clear up all the remaining difficulties while we were in Saudi Arabia.

Yours sincerely

Margaret Thatcher

Dr. Richard Petty

DR. RICHARD PETTY

01-352 6351.

115, DOVEHOUSE STREET,
S.W.3.

26 May 1981

The Right Honorable Margaret Thatcher, P.C.
10 Downing Street
London S.W.1

Dear Mrs Thatcher,

I would like to thank you personally for the magnificent support which you gave our Company in our efforts to gain the Saudi Arabian National Guard Health Services contract.

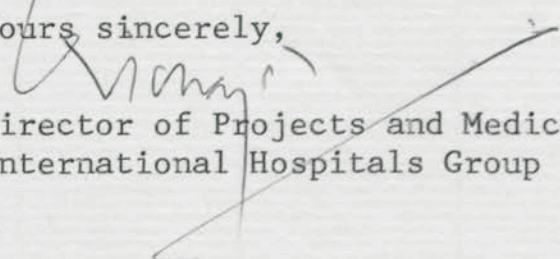
It is now two years ago that the opportunity was offered to us by the MOD through the DHSS and that I first met HRH Prince Abdullah and HE Sheikh Towaijeri, and I am sure you are aware of all the vicissitudes in between. During this time we received every possible encouragement from your Minister, Dr Vaughn and from Mr James Collier and Mr Walter Oakes of the DHSS.

It has been my determination since the formation of the first IHG Company six years ago that we should export UK medical expertise and oppose the Americans in an area which they had previously had, more or less, to themselves. Our efforts would have been fruitless, I am sure, without the constructive attitude of the DHSS, and in Saudi Arabia, the unwavering patience and perseverance of the MOD negotiating team.

As you will know, we have consultancy contracts with the Presidential Court of the United Arab Emirates and we are actively negotiating similar contracts in Nigeria, Oman and Egypt. However, our greatest efforts will obviously be concentrated in Saudi Arabia, where, I can assure you, we will do everything in our power to ensure that your trust in our capabilities is justified.

Again my most grateful thanks for your inestimable and invaluable help.

Yours sincerely,


Director of Projects and Medical Director
International Hospitals Group

CONFIDENTIAL



Foreign and Commonwealth Office

London SW1A 2AH

13 May 1981

*no reply from
contractors yet*

*B/F with Abdullah's
reply when rec'd.*

Paul

Dear Michael,

SANGMED

8/5/81 The Foreign and Commonwealth Secretary has been following with interest the question of immunity for the United Kingdom personnel involved in the SANGMED project and is glad that a message from the Prime Minister to Prince Abdullah has now been sent following the Defence Secretary's minute of 6 May.

Lord Carrington hopes that Prince Abdullah will react favourably to this message and that the question of immunity does not become a sticking point for the award of this project to the UK. He believes that we are justified in arguing strongly to the Saudis that the closer governmental involvement that they themselves want inevitably carries with it jurisdictional problems of this kind, since it has long been an established principle of international law that the agents of a Sovereign Government should be immune from the jurisdiction of another.

If, on the other hand, Prince Abdullah does not react favourably and we then appear likely to lose the contract unless we show some flexibility, the Foreign and Commonwealth Secretary wonders whether there might not be advantage in pursuing the idea advanced in Sir James Craig's telegram of 3 April, namely that we should offer to accept the same degree of Saudi jurisdiction over our people as the Americans and French accept for theirs. This might provide a formula that would permit the Saudis to give us the contract. The detailed immunities to be enjoyed by our people could then be worked out subsequently. Lord Carrington has it in mind that in any such discussions it would probably be appropriate to hold out for more specific immunity in the case of uniformed Service personnel than civilians. Immunity for Her Majesty's Armed Forces ought in the last resort to be acceptable to the Saudis, whereas they know that there are many thousands of foreign civilians in Saudi Arabia who enjoy no immunities. Civilian firms seem to have little difficulty in recruiting staff, although inducements, free of income tax, are high. Similarly submission to Saudi jurisdiction might be more acceptable to our civilian personnel if they received an

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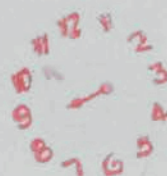
additional financial allowance to compensate for their exposure. But an adequate degree of immunity for all concerned might be negotiated if we could secure a reliable assurance from the Saudis that, in the last resort, any members of our team committing a misdemeanour would be surrendered to the project leader who would undertake to have them immediately removed from Saudi Arabia. This seems to be an element in the arrangements that the French and Americans have, which might be exploited to our advantage.

Yours ever,

Francis Richards
(F N Richards)
Private Secretary

M O'D B Alexander Esq
10 Downing St

14 MAY 1981



CONFIDENTIAL

cc FCO
HMT
DLS
CO

HS



Saudi Arabia.

CF / 10 DOWNING STREET

From the Private Secretary

8 May 1981

Saudi Arabia

As I have already told you on the telephone, the Prime Minister has agreed the text of the draft letter from her to Prince Abdullah, enclosed with the Secretary of State for Defence's minute to her of 6 May. I enclose herewith the signed text.

I am sending copies of this letter without enclosure to Francis Richards (Foreign and Commonwealth Office), John Wiggins (H.M. Treasury), Don Brereton (Department of Health and Social Security) and David Wright (Cabinet Office).

M. O'D. B. ALEXANDER

Jonathan Dawson, Esq.,
Ministry of Defence.

CONFIDENTIAL

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Jul 15
MOD

10 DOWNING STREET

THE PRIME MINISTER

8 May 1981

I much enjoyed meeting Your Royal Highness during my recent visit to the Kingdom of Saudi Arabia and have brought away many happy memories of the warm welcome and friendly hospitality which I and my party were offered. I also greatly value the opportunity we had of discussing the current politico-military situation and of exchanging views on bilateral relations. It was particularly helpful to me to review with you the progress of projects where the UK can help the National Guard make important developments in radio communications, health care services and in the equipment of its units.

In connection with the medical project on which our representatives are currently negotiating a draft agreement, I promised to look into the question of jurisdiction over the members of the small UK Government team which would be appointed to monitor the contract in Saudi Arabia. I have carefully examined the circumstances and fully appreciate and understand your concern for such a team to be subject to Saudi law. However, for the UK this would present certain difficulties.

As you know, the UK team monitoring the nationwide communication project remains subject to UK jurisdiction as do other UK Service teams in Saudi Arabia and elsewhere in the Middle East, and I believe in the case of the medical project it would be in our mutual interest to afford the UK Government team the same facilities that apply to the communication project so that we can give you every possible assistance in the execution of the project.

/ Such

5

Such arrangements for other projects have worked well in Saudi Arabia for some years and there have been no major difficulties in respect of UK Government personnel. Our people working in the Kingdom will continue to be carefully instructed in the need to observe strictly your laws and to conform with your customs and culture. Should there be any question of an offence by a UK team member or one of his dependants I give my personal assurance that we shall act quickly and in full consultation with the authorities of Saudi Arabia to take appropriate action and to cause the least embarrassment to Saudi Arabia.

I hope that your Royal Highness will be able to accept these assurances and our commitment to assist the National Guard in the development of your nationwide health care service to the fullest extent.

(SGD) MARGARET THATCHER

His Royal Highness Prince Abdullah Bin Abdul Aziz Al Saud



Prime Minister

MO 5/3/3

PRIME MINISTER

Yes not

Departments, as you will see, have been into the question of immunities in great detail. The outcome is summarised in para 2 below. Would you be prepared to write to Prince Abdullah

SAUDI ARABIA as proposed in Annex C?

One of the subjects you discussed with Prince Abdullah in Riyadh was the question of jurisdiction over the small number of UK Military and Government civilian personnel who would be required in Saudi Arabia to oversee the medical project (SANGMED) if we succeed in getting the contract. Prince Abdullah saw no reason why these personnel should not be subject to Saudi law and you undertook to look into the position. I understand this is now the only major obstacle to our negotiations concluding the MOU very shortly, perhaps in a matter of days.

2. This matter has been reviewed very carefully, but I must say that any relaxation on the current immunity enjoyed by UK Government personnel would cause very real difficulties and in the case of Service personnel I doubt whether we could get enough volunteers to man the project if they had to accept the rigours of Saudi law. We also have the position of UK members of the Air Defence and Communications teams to consider. It is tempting to give way on this issue, but this would serve no purpose to us or the Saudis if it prevented our manning the projects, and, indeed, given the arbitrary nature of Saudi justice, I do not believe we should willingly put our people in this position.

3. The essential points which we have carefully considered are as follows:



a. The National Guard require a Government-to-Government arrangement for the project which would involve the UK MOD letting the prime contract and monitoring its progress both in the UK and Saudi Arabia through small teams composed of MOD and DHSS personnel. Similar arrangements apply to two other existing major projects: Saudi Arabia Air Defence Project (SADAP) and Saudi Arabia National Guard Communications Project (SANGCOM). These and other UK Service teams in Saudi Arabia and the Middle East (with one exception - Bahrain) enjoy UK jurisdiction for matters of both military and civil law. Elsewhere, in NATO and parts of the Commonwealth, we generally settle for shared jurisdiction, with the UK retaining military jurisdiction but submitting to local civil law as regards criminal offences. A fuller note on this subject is at Annex A.

b. We wish to maintain the current arrangements for our other teams in Saudi Arabia, and there may be more to come if other projects emerge. We do not therefore want to prejudice these arrangements by agreeing an exception in the case of SANGMED.

c. With regard to civil law in Saudi Arabia, the local arrangements are often arbitrary, harsh and nasty, and it is possible for quite innocent team members or their wives to find themselves apprehended, unable to communicate with their guards or their friends and incarcerated under most unpleasant conditions. Further background is at Annex B. Our present arrangements allow us status to find out where such victims might be and to "spring" them.



d. A change in our arrangements and a "read across" to other UK projects in the Kingdom, which are under review, could make it difficult to find even the small number of volunteers needed to serve in the difficult Saudi environment now or in the future. Many thousands of UK subjects do of course live in Saudi Arabia, but they are attracted to work for companies there by high rates of salary, free of UK income tax.

e. The British Embassy in Jedda reports that generally the US have immunity only down to the rank of Colonel but there is a gentleman's agreement for other US Servicemen. Only the Head of the French Mission has immunity but the French Government are worried in view of the increasing presence which will be needed on the Naval side and talks on this are in progress.

4. The final decision in Saudi Arabia rests with Prince Abdullah. A further consideration therefore is whether jurisdiction represents a sticking point for him. In the view of our negotiating team, Prince Abdullah would not object to UK jurisdiction for a relatively small team. The SANGMED team in Riyadh would number about 10 in all plus dependants. Abdullah is keen to let the UK have the contract. For our part there is a strong parallel with the SANGCOM team and other UK teams in Saudi Arabia and on this ground alone we have a good case. It is difficult to judge these issues but on the information available the negotiating team believe that Abdullah will be prepared to accept the UK view on the proposed SANGMED team if you will endorse it. Our Ambassador sees no reason to disagree with their judgement. I recommend you should agree.



5. However, the longer it takes to convey any decision on this matter, the greater risk there is of one of our competitors stealing the project from us. I think we need to move quickly with Prince Abdullah. I therefore enclose at Annex C a draft message for you to send to Prince Abdullah proposing UK jurisdiction for the UK team. (In this we do not refer to SANGMED and SANGCOM as such as these terms are not used by the National Guard). If you are content with this message my Department will arrange the signed copy to be sent by bag, and for the text to be telegraphed in advance.

6. Copies of this minute go to the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer and the Secretary of State for Health and Social Security and to Sir Robert Armstrong.

6th May 1981

Ministry of Defence

SAUDI ARABIAN NATIONAL GUARDTHE SANGMED PROJECT AND JURISDICTIONThe SANGMED Project

1. The SANGMED project will involve the acceptance, commissioning and operation of one or possibly two 500-bed hospitals and the drawing up and subsequent execution of a plan for the development of a nationwide medical service for the Guard and their dependants, including a casualty evacuation service. The first phase is ready to start. It would last for two years and the estimated value of the contract is about £150M. Subsequent phases could involve contracts worth between £500M and £1,000M. The main competitors are the Americans and the French.

2. The project will be on a Government-to-Government basis which involves the prime contract being let by the UK Government on a British company, International Hospitals Group. The progress of the project will be monitored in the UK and in Saudi Arabia by small teams of UK Government personnel. The team in Saudi Arabia will comprise an RAMC Medical Officer Brigadier as Commander with four Service personnel, two UK MOD civilian and two DHSS personnel seconded to the MOD.

Jurisdiction

3. There are two reasons for seeking jurisdiction arrangements for Service personnel serving in another country. First, the UK Service authorities must at all times be able to exercise command and disciplinary control by means of the Service Discipline Acts. Secondly, in Middle East countries where criminal law is generally harsher and defines as criminal several actions which would be legal in UK, we seek where

possible to obtain jurisdiction provisions which exempt UK Service personnel, civilian component and dependants from the criminal jurisdiction of the host country.

4. Of the British teams currently in Saudi Arabia, the British Military Mission to the National Guard enjoys quasi-diplomatic status. For the other two - the SADAP and SANGCOM monitoring teams - we sought and obtained the primary right to exercise exclusive jurisdiction over all criminal offences, whether committed on or off duty, provided that in cases involving persons on the property of persons other than the team members or their dependants, such jurisdiction is only exercised after consultation with the Saudi authorities.

5. Similar arrangements were obtained for our teams in Oman, Qatar and the UAE. The exception is Bahrain where we settled for shared jurisdiction on the NATO pattern since the FCO advised that the administration of justice is a very different matter - Western influence is strong and the law is based on Western precepts rather than Islam.

6. The Strengths and compositions of the existing teams in Saudi Arabia are at present as follows:

Team	Service Personnel	Civilians	Total
a. British Military Mission (BMM) (Army)	27 (15 officers & 12 other ranks)	-	27
b. Saudi Arabian National Guard Communications Project (SANGCOM) (Army)	10 (6 officers & 4 other ranks)	11 (8 MOD & 3 PSA)	21
c. Saudi Arabian Air Defence Project (SADAP) (RAF)	41 (19 officers and 22 other ranks) NB 5 of the offr's & 11 of the ORs included in this figure are seconded to BAe in connection with this project, but are covered by the MCO for jurisdiction purposes.	11 (all MOD) (3 MOD 4 MOD firemen 4 PSA)	52

7. The US military presence in Saudi Arabia is considerable and there are many permutations of immunity. Broadly, officers of the rank of Colonel and above have diplomatic immunity. All others have no immunity as such but if military personnel commit an offence in Saudi law in a designated military or training area the individual is disposed of by the US authorities. The clause is interpreted widely. American civilians and dependants have no immunity and unlike their UK counterparts they cannot be subject to military jurisdiction. There is, therefore, no point in the US authorities pressing for the right to exercise any jurisdiction over them. The whole of the recently arrived US AWACS team do, however, have full diplomatic immunity.

8. For the French teams present, only the Head of Mission has full diplomatic immunity, although there seems to be a gentleman's agreement that French miscreant officers would be handed over to their National authorities for legal disposal. The French are unhappy about this state of affairs particularly in view of the size of the Naval contract and the numbers of personnel likely to be involved, and our Embassy in Jeddah tell us that talks are now being held to regularise the matter.

BACKGROUND INFORMATION ON APPLICATION OF SAUDI LAW

1. Having never been colonised, Saudi Arabia has not adopted, for example, Roman or French legal precepts. Sharia Law, the religious law of Islam, is the common law of the land and covers all aspects of crime in today's courts. It is thus a very old, strict and unchanging code with many crimes that are not recognisable outside Islam. It is applied painfully to "today's" crimes. Punishments are 'old fashioned'. For example:
 - a. for adultery: execution by stoning, beheading or shooting;
 - b. theft: chopping off of a hand;
 - c. motoring accident involving fatal casualty: the bereaved family have the right to call for blood and the driver is usually held until the family is compensated;
 - d. debt: the debtor can be held until he pays up or complainant absolves him;
 - e. Alcohol: drinking is prohibited, punishment by imprisonment or flogging or both.
2. More critical for the Westerner is the arbitrary method of administration of the law and behaviour of the police and other agencies. Suspicious of foreigners, many uniformed officials behave arrogantly and with little sympathy for Western ways. Customs and Immigration officials delight in humiliating visitors by perverse and pedantic action at airports unless they are confronted with a diplomatic passport or identification card.

3. Rigid and arbitrary application of Saudi law can be harsh for expatriates. If one is unfortunate enough to be involved in a road accident, of which there are many, it is necessary to wait until the police arrive. They do not speak English, but question all witnesses and apportion blame in Arabic. They will also assess damage and repair costs and charge these and the fine on the spot. Failure to pay, whether innocent or not, will result in arrest or imprisonment or both. A telephone call to one's friends may be allowed, who then have the game of searching police stations and jails until they find the unlucky victim and hopefully are allowed to pay the fines. There are no street names or numbers in Riyadh and the location of unknown places is difficult.

4. Police judgements are arbitrary. Expatriate drivers behaving quite correctly have been involved in traffic accidents caused by Arabs driving the wrong way in a one way street. The expatriate has contributed merely by being present. Minor traffic offences, if so determined by the police, carry an automatic sentence of three days in jail. Where personal injury is involved both drivers are imprisoned pending the outcome of investigation which may take weeks. Prisons are unpleasant, overcrowded and without water, food, bedding or lavatory.

5. For women the position can be worse. They are not allowed to drive cars and so must be driven. But if they wish to travel by car to work, shopping or to a social event while their husband is at work or away it is an offence for them to be found with a male who is not related to them. This may not come to light unless the car in which both are travelling is involved in an accident. In that event both parties are in difficulties.

6. Expatriates may be arbitrarily arrested in the street for alleged breaches of Saudi laws, eg taking photographs or just carrying a camera. Searches of private accommodation may take place if too many cars are observed outside. A woman may be arrested because an official regards her dress as inappropriate, or because she is walking alone.

7. These cases may seem petty, but a stay in a Saudi jail for a man or woman is not a pleasant experience and may last for some time until friends are able to persuade the authorities to release the victim. But the position is vastly changed if a UK MOD team is involved. In this case the police generally respond helpfully and promptly. In a recent case a car driven by a SADAP team member overturned accidentally on a remote road killing the British passenger. But for the protection of the MOU the driver would still be in prison. A member of the MOD party which went to Riyadh to present Main Battle Tanks to the National Guard was apprehended in the main square in Riyadh carrying a camera although he had made no attempt to take photographs. He was allowed one phone call to a friend in the SADAP team who arranged for him to be tracked down and released. In such cases formal invocation of an MOU is rarely necessary as someone can eventually be found in the chain of command who will appreciate the status of the UK team concerned and this is adequate to secure release or easement of a difficult situation.

DRAFT MESSAGE FOR THE PRIME MINISTER TO SEND TO

HRH PRINCE ABDULLAH BIN ABDUL AZIZ AL SAUD, SECOND DEPUTY PRIME MINISTER AND COMMANDER OF THE NATIONAL GUARD

I much enjoyed meeting Your Royal Highness during my recent visit to the Kingdom of Saudi Arabia and have brought away many happy memories of the warm welcome and friendly hospitality which I and my party were offered. I also greatly value the opportunity we had of discussing the current politico-military situation and of exchanging views on bilateral relations. It was particularly helpful to me to review with you the progress of projects where the UK can help the National Guard make important developments in radio communications, health care services and in the equipment of its units.

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As you know, the UK team monitoring the nationwide communication project remains subject to UK jurisdiction as do other UK Service teams in Saudi Arabia and elsewhere in the Middle East, and I believe in the case of the medical project it would be in our mutual interest to afford the UK Government

team the same facilities that apply to the communication project so that we can give you every possible assistance in the execution of the project.

Such arrangements for other projects have worked well in Saudi Arabia for some years and there have been no major difficulties in respect of UK Government personnel. Our people working in the Kingdom will continue to be carefully instructed in the need to observe strictly your laws and to conform with your customs and culture. Should there be any question of an offence by a UK team member or one of his dependants I give my personal assurance that we shall act quickly and in full consultation with the authorities of Saudi Arabia to take appropriate action and to cause the least embarrassment to Saudi Arabia.

I hope that your Royal Highness will be able to accept these assurances and our commitment to assist the National Guard in the development of your nationwide health care service to the fullest extent.

- 6 MAY 1981

