

T123^B/83

Translation

Bonn, Sept. 1, 1983

Dear Prime Minister,

As you know, I have on several occasions made considerable personal efforts to bring to a successful conclusion our joint export of Tornado aircraft to Greece. In this effort the Federal Government has made several concessions to comply with Greek wishes regarding the financing of the project, concessions greatly in excess of the norm.

However, we have now reached our limit, and I regret that after thorough discussions with the competent Federal Ministers I cannot adopt your proposal of guaranteeing a fixed contractual rate of less than 9 per cent. In the interests of sound export trade I should like to hold to the principle of not granting interest subsidies for the financing of exports.

With best wishes,

Yours sincerely,
(sgd.) Helmut Kohl

The Rt.Hon. Margaret Thatcher MP,
Prime Minister
of the United Kingdom
of Great Britain and Northern Ireland,

London

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Original:
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BUNDESREPUBLIK DEUTSCHLAND
DER BUNDESKANZLER

Bonn, den 1. September 1983

**PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T 124/83**

Ihrer
Exzellenz
Frau Margaret Thatcher, MP
Premierminister
des Vereinigten Königreichs
Großbritannien und Nordirland

London

Sehr geehrte Frau Premierminister,

wie Sie wissen, habe ich mich mehrfach persönlich sehr bemüht, unseren gemeinsamen TORNADO-Export nach Griechenland zu einem erfolgreichen Abschluß zu führen. Dabei ist die Bundesregierung den griechischen Wünschen in der Finanzierung des Projekts mehrfach und weit über das normale Maß hinaus entgegengekommen.

Allerdings sind damit auch die Grenzen für uns erreicht, so daß ich nach sorgfältiger Erörterung mit den zuständigen Bundesministern leider nicht Ihrem Vorschlag folgen kann, einen festen Außenzinssatz von unter 9 % zu garantieren. Im Interesse einer soliden Exportwirtschaft möchte ich bei dem Prinzip bleiben, keine Zinszuschüsse für Exportfinanzierungen zu gewähren.

Mit guten Wünschen und
freundlichen Grüßen



FIS

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Defence

10 DOWNING STREET

From the Private Secretary

2 September, 1983

I enclose a message to the Prime Minister from Chancellor Kohl in response to the Prime Minister's letter of 25 August about tornado aircraft for Greece. As you will see, Chancellor Kohl has rejected the Prime Minister's request that his Government should guarantee a fixed interest rate of less than 9 per cent. In the circumstances, I assume that no reply is called for unless I hear to the contrary.

I am sending a copy of this letter to Margaret O'Mara (H.M. Treasury), Roger Bone (Foreign and Commonwealth Office), Jonathan Spencer (Department of Trade and Industry) and Richard Hatfield (Cabinet Office).

TIMOTHY FLESHER

Richard Mottram, Esq.,
Ministry of Defence

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10 DOWNING STREET

PRIME MINISTER

A handwritten signature in blue ink, appearing to be 'M.S.' or similar initials.

As anticipated, Chancellor
Kohl has turned down our
request for a guaranteed
interest rate of less than
9 per cent for the Greeks.

A handwritten signature in black ink, appearing to be 'T.F.' or similar initials.

TIM FLESHER

2 September, 1983



DER BOTSCHAFTER
DER BUNDESREPUBLIK DEUTSCHLAND
Jürgen Ruhfus

PP12 deal

Ack'd 2/9

London, 2nd September, 1983

Dear Prime Minister

I have the honour to transmit to you the enclosed message from Herr Helmut Kohl, Federal Chancellor of the Federal Republic of Germany.

A courtesy translation is attached.

I have the honour to be,
Dear Prime Minister,

Yours sincerely
Jürgen Ruhfus

Her Excellency
The Rt.Hon. Margaret Thatcher
Her Majesty's Prime Minister and
First Lord of the Treasury

L o n d o n