

GRS 210
UNCLASSIFIED
FM LISBON 030915Z APR 84
TO PRIORITY FCO
TELEGRAM NUMBER 115 OF 03 APRIL 1984

FOR HARRIS, SED

A. J. C. 4/4
h-2

PRIME MINISTER'S VISIT

1. EARLIER BRIEFING ON COMMERCIAL PROJECTS (TO TAYLOR, PEP/DOT) DID NOT MENTION ICL'S INTEREST IN A TENDER FOR COMPUTERS. THE PORTUGUESE TAX AUTHORITIES HOPE TO INTRODUCE A VAT SYSTEM EARLY IN 1985. ICL ARGUE THAT THIS TIME SCALE IS IMPOSSIBLE UNLESS THEY OPT FOR ICL EQUIPMENT USING SOFTWARE ALREADY DEVELOPED FOR USE BY HM CUSTOMS AND EXCISE IN SOUTHEND. THE LATTER HAVE ALREADY OFFERED TECHNICAL HELP TO THE PORTUGUESE IF THE ORDER GOES TO ICL. THE MAIN COMPETITION COMES FROM IBM.
2. WE ARE TELEGRAPHING SEPARATELY POINTS FOR INCLUSION IN THE PRIME MINISTER'S SPEECH ON TRADE AT THE ANGLO-PORTUGUESE CHAMBER OF COMMERCE LUNCH ON 18 APRIL. IT INCLUDES A REFERENCE TO ICL'S INTEREST.
3. THIS IS AN IMPORTANT CONTRACT WORTH OVER 1 MILLION POUNDS WHICH MIGHT WELL OPEN THE DOOR TO COMPUTERIZATION OF UPTO 407 LOCAL TAX OFFICES IN PORTUGAL. IT IS ESSENTIAL THAT WE GIVE ICL EVERY POSSIBLE SUPPORT TO WIN THIS FIRST KEY ORDER FOR THE CENTRAL UNIT. IT WOULD BE HELPFUL IF THE PRIME MINISTER COULD BE BRIEFED TO RAISE THIS IN HER TALKS WITH THE PORTUGUESE. MORE DETAILED BRIEFING CAN BE OBTAINED FROM MR DOUGLAS COMISH, DIRECTOR OF ICL'S EUROPEAN DIVISION (TELEPHONE 788 7272).

BYATT

PRIME MINISTER'S VISIT TO PORTUGAL
LIMITED

SED
PROTOCOL D
PLANNING STAFF
ECD(E)
TREC
ERD
ESID
DEF D
FID
C AF D
S AF D
S AM D
INFO D
NEWS D

PS
PS/LADY YOUNG
PS/MR RIFKIND
PS/MR RAISON
PS/PUS
SIR J BULLARD
SIR C TICKELL
SIR W LEAHY
MR JENKINS
MR HANNAY
MR SQUIRE
MR J THOMAS

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PM'S VISIT TO PORTUGAL

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