



Foreign and Commonwealth Office

London SW1A 2AH

14 May 1984

Dear David,

Sri Lanka

Thank you for your letter of 27 April enclosing a copy of a letter from President Jayewardene to the Prime Minister. The President customarily writes such a letter to heads of donor governments as a prelude to the annual meeting of the Sri Lanka Aid Group.

As you know (from my letter of 14 May) the President has now written inviting the Prime Minister to the commissioning of the Victoria Dam. We shall be letting you have advice on this very shortly and I therefore suggest that the attached draft is held until a decision has been taken and is then amended accordingly, since it would be odd for it to contain no reference to the President's invitation: I attach a draft which could form the basis of the reply in due course.

Yours ever,

Peter Ricketts

(P F Ricketts)
Private Secretary

David Barclay Esq
10 Downing Street

CCPC

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Amrit letter F.C.O. advice.

AA 15/5



DRAFT LETTER FOR SIGNATURE BY PRIME MINISTER

To:
HE Mr J R Jayewardene
President of Sri Lanka

Thank you for your letter of 10 April about the meeting of the Sri Lanka Aid Group which will take place in Paris on 21 June.

As your letter records, Sri Lanka has had to face difficult economic and political decisions during the past year, and it is helpful to us to have your account of the steps you have taken in response to these problems and the considerations that will guide your Government's policy in the years ahead.

For our part, as you know, we have responded during the past year to Sri Lanka's needs by increasing our support for the Victoria project, and I was glad to note that it has continued to progress well. We are also naturally pleased that a consortium of British firms was successful in winning the contract for Colombo Airport utilities.

My Government looks forward to participating in next month's Aid Group Meeting. Our aid programme continues to be constrained by our tight control on public spending, but I can assure you that we shall look for opportunities of continuing to support Sri Lanka's economic development within the resources at our disposal. For this purpose we should like to send a team of people to Sri Lanka later this year to discuss with your officials potential future projects in sectors which we both regard as important.

You wrote also of the present ethnic problems in Sri Lanka. We share your concern to see peace and stability restored in Sri Lanka, and strongly support your efforts to achieve this. As our High Commissioner, Sir John Nicholas, has recently mentioned to you, we hope that progress can be made at the all-party conference which is meeting again this month. We believe that all the communities will need to show understanding of each others' concerns if a peaceful and democratic solution is to be achieved.