



PRIME MINISTER

4/8

Prime Minister (2)
Agreement has now been
reached on ECGD support for the
supply of Lynx to Portugal.

PORTUGAL: WESTLAND LYNX NAVAL HELICOPTERS

MT
Dubs
8/8

In a letter dated 16 May, your Private Secretary recorded your agreement that the Export Guarantees Committee should consider the question of possible ECGD support for the supply of Lynx helicopters to Portugal.

2 I understand that officials reached an agreement satisfactory to all the Departments concerned. This would involve ECGD reserving, for six months, a special £50m allocation of cover (outside the normal market limit) for the proposed Lynx sale. If the sale should not become firm within that six months, or if other potential business is then pressing, it will be necessary for officials in the EGC to reconsider the appropriate maximum ECGD exposure for Portugal. However, in the meantime, reservation for the helicopters should not prejudice the chances of ECGD cover for any civil capital goods business with Portugal.

JH1ASX



3 I am copying this minute to the Chancellor of the Exchequer, the Foreign and Commonwealth Secretary, and the Secretary of State for Defence.

NT

N T

7 August 1984

Department of Trade and Industry

JH1ASX



ble ea

10 DOWNING STREET

From the Private Secretary

9 August 1984

This is merely to record that the Prime Minister has seen and noted your Secretary of State's minute of 7 August about ECGD support for the supply of Lynx helicopters to Portugal.

Tim Flesher

Callum McCarthy Esq
Department of Trade and Industry

NR