



FILE

27  
B/C: HM AMBASSADOR  
JAKARTA'

CE MASTER

10 DOWNING STREET

From the Private Secretary

11 April, 1985

Dear Peter,

PRIME MINISTER'S MEETING WITH DR HABIBIE, MINISTER OF  
TECHNOLOGY OF INDONESIA IN BANDUNG ON 11 APRIL, 1985

You may find it helpful to have a brief note of the points raised in discussion between the Prime Minister and Dr Habibie over lunch in Bandung on 11 April.

Dr Habibie said that he was very keen to see a science and technology agreement between Indonesia and the United Kingdom. Ideally he would like to be able to sign this in June when he visits London. The Prime Minister agreed that we should work to this target. She also agreed that she would see Dr Habibie when he came to London.

They also discussed possible defence sales. Dr Habibie expressed strong interest in Scorpion/Alvis and in further purchases of Rapier. He undertook to examine the possibilities for co-operation on the Hawk 200.

Dr Habibie said that his priorities for infrastructure projects were:-

- a. railways.
- b. shipyards. Indonesia needed patrol boats and frigates, but the latter should be smaller than those which they had recently bought from us, around 2,500 tons. They needed about 20.
- c. power generation. Indonesia would need some 22,000 megawatts of electricity by the year 2000.
- d. gasification of coal.
- e. facilities for the production of agricultural machinery in Indonesia.
- f. telecommunications.

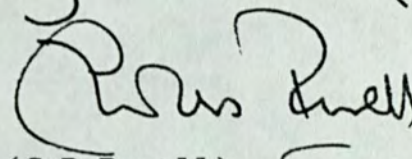
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/The Prime Minister



The Prime Minister said that she thought we would be able to help in virtually all these areas. She hoped that discussions could be pursued through officials with the aim of trying to reach some decisions by the time Dr Habibie visited Britain in June.

I am sending a copy of this letter to John Mogg (Department of Trade and Industry), Rachel Lomax (HM Treasury), Richard Mottram (Ministry of Defence), Michael McCulloch (Overseas Development Administration) and Robin Nicholson (Cabinet Office).

Yours sincerely  
  
(C D Powell)

P Ricketts, Esq.,  
Foreign and Commonwealth Office

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