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DEPARTMENT OF TRADE AND INDUSTRY
1-19 VICTORIA STREET
LONDON SW1H 0ET
TELEPHONE DIRECT LINE 01-215 5422
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Secretary of State for Trade and Industry
PS/

CP 0/5

2 May 1985

C Powell Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1

CP 0/5

Dear Charles,

PRIME MINISTER'S VISIT TO SOUTH EAST ASIA

Thank you for sending me a copy of your letter of 15 April to Len Appleyard. The commercial opportunities that arose in discussion during the Prime Minister's visit have been notified by Chris Benjamin to the right quarters of the Department, and are being followed up directly with the companies concerned. On defence sales, it had been planned that the Assistant Regional Marketing Director of DSO would follow the Prime Minister's itinerary starting a week later so that these prospects could be followed up immediately, and he is currently on this course.

2 Otherwise, we are already proceeding with the preparation of a Science & Technology Agreement with Indonesia, with an eye to having it ready for Dr Habibie's visit to the UK in the summer. Mr Channon is planning to include Malaysia and Indonesia in his next visit to the area immediately before Dr Habibie comes to the UK in July.

3 On India, a Westland's team was positioned in Delhi within days of the Prime Minister's return, and some contacts have already taken place between them and the Indian officials, though the last meeting did not seem entirely satisfactory. But we are in close touch with the High Commission and the Company on the tactics.

4 There are, of course, two particular issues that will need to be resolved by Ministers; whether to go ahead with the provision of an aid-supported financial package for the Samanala Wewa dam in Sri Lanka and the problems posed by the Indonesian wish for finance in the form of long-term concessionary loans.

5 You noted that plywood and the review of the GSP were mentioned in Malaysia. The UK has consistently supported the case of the ASEAN countries (including Malaysia) for increased GSP

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access to the UK market for their plywood exports but we have always run up against opposition from other member states. The Community review of the GSP is still at a very early stage but it seems unlikely that Malaysia will be much affected.

6 I enclose a number of draft letters for the Prime Minister to send to companies who wrote to her about her tour.

*Yours sincerely,
Maureen Dodsworth.*

MAUREEN DODSWORTH
Private Secretary

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FOR POL. SE Asia Trip: P# 3



10 DOWNING STREET

From the Private Secretary

15 April, 1985.

Prime Minister's Visit to South East Asia

I enclose copies of letters which the Prime Minister received from a number of companies, before her departure for South East Asia, asking her to raise specific contracts of interest to them.

The Prime Minister read all of them as part of her briefing.

I think that she should now reply to the letters. Some of the contracts were discussed, others not. It would be helpful if you could ask Chris Benjamin who was present at the meetings concerned and had a number of separate discussions to prepare draft replies.

(C.D. Powell)

J.F. Mogg, Esq.,
Department of Trade and Industry.



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10 DOWNING STREET

THE PRIME MINISTER

7 May 1985

Dear Sir Frank,

Thank you for writing on 3 April about the prospects for Scorpion in Indonesia.

The President and Dr. Habibie confirmed to me personally their interest in this programme, and I hope that you will now be able to press this to completion. There are, I understand, some conflicting views within the Indonesian Government that need to be resolved, but Alan Donald is very aware of these and ready to support your efforts to the full.

I look forward to hearing how you get on.

Yours sincerely
Margaret Thatcher

The Rt. Hon. Sir Frank Cooper, G.C.B., C.M.G.

JK

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DRAFT REPLY FOR THE PRIME MINISTER TO SEND TO:

The Rt. Hon. Sir Frank Cooper *geb emg*
United Scientific Holdings plc
10 Fitzroy Square
LONDON
W1P 6AB

(Puss mod)

3/

Thank you for writing on 2 April about the prospects for Scorpion in Indonesia.

The President and Dr Habibie confirmed to me personally their interest in this programme, and I hope that you will now be able to press this to completion. There are, I understand, some ~~internal tensions~~ ^{conflict} ^{v. ins.} within the Indonesian Government that need to be resolved, but Alan Donald is very aware of these and ready to support your efforts to the full.

I look forward to hearing how you get on.

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UNITED SCIENTIFIC HOLDINGS PLC

(4)
Prime Minister

TELEPHONE:
01-387 7224
CABLES:
SCODIL LONDON W.1.
TELEX: 262748/265403
TELEFAX: 01-388 5766

10 FITZROY SQUARE
LONDON W1P 6AB

CDW
13/5

Our ref: FC/EAC/2658/85

10th May 1985

Rt. Hon. Margaret Thatcher MP FRS
10 Downing Street,
Whitehall,
London. S.W.1.

Dear Prime Minister,

Thank you very much for your letter of the 7th May. We were very grateful indeed to you for talking about the Scorpion during your visit to Indonesia. We have since heard that it was very well received and we shall certainly press ahead as fast as possible. There are at the moment encouraging signs from Indonesia itself and we are sending one of our people out in about ten days time to start drawing up basic heads of a contract in the hope that we may be able to get these agreed within the next six weeks.

I will certainly let you know how we get on and we are very grateful indeed for your help.

Yours sincerely
Frank Cooper

Frank Cooper

Foreign Policy : PM's visit to SE Asia
A-3

UNITED SCIENTIFIC INDUSTRIES P.L.C.

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LONDON, ENGLAND

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LONDON, ENGLAND



10 DOWNING STREET

THE PRIME MINISTER

7 May 1985

Dear Jim

Thank you for writing to me before my Far East tour to draw attention to the more important opportunities being pursued by GEC.

In Malaysia, my talks with Dr. Mahathir drew from him an unqualified statement that British companies would be treated on a fair and equal basis. On the particular Command Control and Communications system, and the fibre optics proposal, Malaysian Ministers acknowledged that defence and communications were among the fields offering the best opportunities for co-operation. My officials could not follow these up in detail, however, since at the time of my visit key Malaysian officials were not available.

The Sri Lankan Government underlined the priority that they attached to the hydro scheme to follow up the Victoria Dam, which does indeed stand as a major tribute to all the British companies involved. We are still looking into the best use of our limited aid programme for Sri Lanka.

In Delhi, I simply did not have time for more than one informal discussion with Rajiv Gandhi, at which it was not really opportune to press the gas turbines possibility. But I understand that your people are making some ground against the competition, and I hope that they will win through.

Yours

Rogant

The Rt. Hon. James Prior, M.P.

DRAFT REPLY FOR THE PRIME MINISTER TO SEND TO*

The Rt Hon James Prior MP
The General Electric Co plc
1 Stanhope Gate
LONDON
W1A 1EH

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JG 2477W.

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10 DOWNING STREET

THE PRIME MINISTER

7 May 1985

Dear David,

Thank you for writing to me on 29 March about your interest in railway developments in Indonesia.

I stressed in my discussion with the President and colleagues the strength of our capabilities in the whole field of communication. In addition, Mr. Benjamin of the Projects Division of DTI called on Dr. Djunaedi - the Director in the Ministry of Communications concerned - and reviewed our interests in the Jabotabek line and other rail possibilities.

Indonesian Ministers explained the rationale for their wish to have finance in long-term loan form; this is, as you will appreciate, rather different from our normal forms of aid support, and we are examining whether and how we can make adjustments to meet the Indonesian Government's preference.

Meanwhile, DTI are keeping in touch with the study that is being undertaken on this project.

Yours

Raymond

David Ginsburg, Esq.

VC

JG2AIA

DRAFT REPLY FOR THE PRIME MINISTER TO SEND TO:

David Ginsburg Esq
L H Manderstam & Partners Ltd
SB Grosvenor Gardens
LONDON
SW1W OEB

29
Thank you for writing to me on 24 March about your interest in railway developments in Indonesia.

I stressed in my discussion with the President and colleagues the strength of our capabilities in the whole field of communication. In addition, ^{Mr.} ~~Chris~~ Benjamin of the Projects Division of DTI called on Dr Djunaedi - the Director in the Ministry of Communications concerned - and reviewed our interests in the Jabotabek line and other rail possibilities.

Indonesian Ministers explained the rationale for their wish to have finance in long-term loan form; this is, as you will appreciate, rather different from our normal forms of aid support, and we are examining ^{whether & how} ~~how~~ we can make adjustments to meet the Indonesian Government's preference.

Meanwhile, DTI are keeping in touch with the study that is being undertaken on this project.

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CF PPS?

13th May 1985

Charles Yes
I imagine that
X refers to the letter
you wrote to him.

Mr. R. Butler,
Principal Private Secretary,
10 Downing Street,
London,
S.W.1.

RRB

15.5.

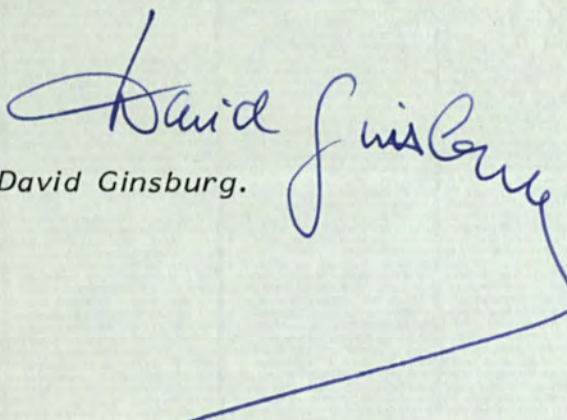
Dear Mr. Butler,

When we spoke on, I think, Wednesday 8th May, I had not realised that a letter from the Prime Minister was, in fact, en route to me.

Her letter of 7th May was addressed to me at Manderstam's and reached me at the end of the week.

I am most grateful to the Prime Minister for taking this matter up and please convey my thanks.

Yours sincerely,


David Ginsburg.



14 MAY 1985

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10 DOWNING STREET

THE PRIME MINISTER

7 May 1985

Dear Robi,

Thank you for the briefing on your negotiations to set up a Single Cell Protein Project in Malaysia.

There were signs of keen interest among Malaysian Ministers on the potential advantages of your new process, though the detailed financial negotiations to set up the venture are still to be settled. I was very impressed by the prominent display of the project on your stand at the International Trade Exhibition.

Dr. Mahathir confirmed publicly that there was no discrimination against British goods, and I hope that you will be able to proceed quickly to conclude an agreement for the project. The Project Division of DTI is in touch with your people about the next steps and remain ready to assist.

*Yours
Raymond*

Sir Robin Ibbs

R

*file DSS
c DTI*

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DRAFT REPLY FOR THE PRIME MINISTER TO SEND TO:

Sir Robin Ibbs
Imperial Chemical Industries PLC
Imperial Chemical House
Millbank
LONDON
SW1P 3JF

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Single Cell Protein Project
~~Pruteen~~ facility in Malaysia.

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CM

JH4AZT



10 DOWNING STREET

THE PRIME MINISTER

7 May 1985

Dear Mr. Hughes,

Thank you for your letter of 15 March about the MVO project that you are pursuing in Indonesia. I greatly enjoyed my stay there, and found the President and his colleagues an extremely effective team.

We did not, as you will appreciate, have the time to go into the details of all the opportunities being pursued by our companies. But the President certainly underlined to me the high priority of improving agricultural performance, and we shall be looking at ways in which we can co-operate to help Indonesia develop in this crucial area. I am glad that DTI have been able to provide you with some support to bring your venture to the point of orders, and I hope that the developing political relationship between Indonesia and Britain will also be helpful.

Yours sincerely

Raymond Thatcher

George Hughes, Esq.

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DRAFT REPLY FOR THE PRIME MINISTER TO SEND TO:

George Hughes Esq
Chairman
Hughes International Farms Ltd
Hampton Court Castle
LEOMINSTER
HR6 OPN

Thank you for your letter of 15 March about the MVO project that you are pursuing in Indonesia. I greatly enjoyed my stay there, and found the President and his colleagues an extremely effective team.

We did not, as you will appreciate, have the time to go into the details of all the opportunities being pursued by our companies. But the President certainly underlined to me the high priority of improving agricultural performance, and we shall be looking at ways in which we can cooperate to help Indonesia develop in this crucial area. I am glad that DTI have been able to provide you with some support to bring your venture to the point of orders, and I hope that the developing political relationship between Indonesia and Britain will also be helpful.

Ch

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file DSS
-DTT

10 DOWNING STREET

THE PRIME MINISTER

7 May 1985

Dear Mr. Benjamin,

Thank you for your letter of 28 March, which I was able to read before my visit to Singapore.

I was in Singapore for only a day, but even in so short a time one cannot but be impressed by the country's drive and growth, especially in its rapid development as a financial and service centre. As short as my stay was, I was able to underline our strength in systems technology, of which your activities are a very good example.

I have asked our High Commission to do all that they can to support you in your efforts to gain further advances in the Singapore market.

Yours sincerely
Margaret Thatcher

Alan Benjamin, Esq., O.B.E.

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DG2AHU

DRAFT REPLY FOR THE PRIME MINISTER TO SEND TO:

Alan Benjamin Esq
CAP Group Ltd
283 High Holborn
LONDON
WC1V 7DJ

OBE

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I have asked our High Commission to do all that they can to support you in your efforts to gain further advances in the Singapore market.

AM.

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10 DOWNING STREET

THE PRIME MINISTER

7 May 1985

Dear Sir Arnold,

Thank you for your letter of 28 March bringing me up to date on your rail locomotive proposals in Malaysia.

Dr. Mahathir and I noted that railway development was one of the most likely potential areas for future collaboration, and Mr. Benjamin of PEP had a separate discussion with the Malaysian Minister of Transport, about which your people will already have been informed.

In fact, the Minister himself expressed concern that the form of Japanese financing was interfering with the technical choice of the railways authority. PEP are in touch about possible ways of helping to neutralise the apparent finance advantage of Japanese aid funding.

Yours sincerely
Raymond Walker

Sir Arnold Hall, F.R.S.

DG2AH X

DRAFT REPLY FOR THE PRIME MINISTER TO SEND TO:

Sir Arnold Hall
Hawker Siddeley Group plc
18 St James's Square
LONDON
SW1Y 4LJ

Thank you for your letter of 28 March bringing me up to date on your rail locomotive proposals in Malaysia.

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10 DOWNING STREET

THE PRIME MINISTER

16 April 1985

Dear Mr. Nightingale

Thank you for your letter of 11 March.

I am glad to hear of the good progress that Anglo Indonesian have made in developing the Tasik plantation and to note the very interesting flotation of a new plantation company on the London Stock Exchange. But I fear that my programme in Indonesia was too tight to allow me to visit Sumatra, much as I would have liked to do so.

I am glad that you have kept the problem of the Raiu land before the Indonesian authorities. There was not an occasion for me to raise specific cases during my visit but I am sure that our excellent Ambassador will be ready to give any help which you require.

With best wishes,

Yours sincerely
Margaret Thatcher

Michael Nightingale, Esq., O.B.E.

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