



FCS/85/261

SECRETARY OF STATE FOR TRADE & INDUSTRY

Egyptian Projects: Considerations for the Prime Minister's Visit

1. I thought I should await the outcome of the visit before replying to your letter of 10 September. In the event, questions of future aid were not raised. *WILL REQUEST IF REQUIRED*

2. I was grateful to you for agreeing to accept my compromise proposal, which allowed the briefing to go forward. But I could not accept the possible implication in your suggested understanding that, if the Egyptians indicate that they want British participation in Ain Moussa, then the developmental considerations will be simply set aside. You may recall that at the meeting with the CBI on 12 September the Prime Minister said that "aid should not be seen simply as promoting UK economic objectives; it had also to serve developmental objectives".

3. I am very much in favour of giving full weight to the industrial and commercial factors as well as to political and developmental considerations in cases of this kind. But we should not prejudge now the results of that assessment.

4. I am copying this minute to the Prime Minister, Nigel Lawson and Michael Heseltine.

GEOFFREY HOWE

Foreign & Commonwealth Office  
14 October 1985

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