

CPC



DEPARTMENT OF TRADE AND INDUSTRY

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From the Minister for Trade

CDP
24 X

23 October 1986

Miss Jill Rutter
Private Secretary to the
Rt Hon John MacGregor OBE MP
Chief Secretary to the Treasury
Treasury Chambers
Parliament Street
LONDON
SW1P 3AG

will request if required

Dear Jill

ATP: CYPRUS

Thank you for your letter of 2 October to Steven Phillips. I am not certain that the apparent misunderstandings to which you refer are yet fully clarified.

There is no dispute at all over the terms of the relevant EX decision, nor your record of my Minister's meeting with the Chief Secretary on 1 August. However, the purpose of Steven's letter of 9 September was to record that the condition in your letter of 1 August that "the Chief Secretary would not accept any further cases in Cyprus in the foreseeable future", appeared inconsistent with EX's decision that ATP could be used, albeit exceptionally, in countries such as Cyprus. It is our clear understanding of EX's decision that in a developing country such as Cyprus where there is a track record of aid offers made by our competitors, there is now no question of principle over whether the market is a regular recipient of aid. Accordingly ATP should be available as for other developing countries. Its commitment will depend, as with any ATP application, upon the merits of the individual case and be subject to normal inter-Departmental consideration. Of course, overall, the commitment of ATP to countries such as Cyprus is bound to be relatively small and exceptional.

On initiations and matching, I do not think that there is anything between us - I entirely agree with your description of the relevant EX decision.

L03AQC



Miss Jill Rutter

October 1986

I hope that this will clarify any remaining doubtful points: it is
I hope what the final paragraph of your letter intended to convey.

I am copying this letter as before.

Yours sincerely

Matthew Cocks

MATTHEW COCKS
Private Secretary to the
Minister for Trade (Alan Clark)

L03AQC

