Julian SHEFFIELD
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10 DOWNING STREET LONDON SWIA 2AA

From the Private Secretary

4 February 1988

I attach a copy of a letter addressed to Bernard Ingham in this office from Mr. Julian Sheffield, Chairman of Portals Holdings PLC.

I should be grateful for your advice together with a draft Private Secretary reply to Mr. Sheffield. Could this reach me by Thursday 18 February if possible.

Please could you coordinate your reply with the Foreign and Commonwealth Office, to whom I am copying this correspondence.

(CHARLES POWELL)

Jeremy Godfrey, Esq., Department of Trade and Industry.

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MR POWELL

A friend of mine, Julian Sheffield, Chairman of Portals Holdings, came to see me yesterday partly about the Prime Minister's visit to Turkey. He handed me the attached note about a contract one of his companies is pursuing in Turkey and would like the Prime Minister to take up their cause while visiting the country.

I said that I would feed this in and I urged him to get in touch with DTI in order to ensure that his interest in the Prime Minister's pushing his contract is written into her brief.

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BERNARD INGHAM 3 February 1988 DIRECTORS:

J Julian L G Sheffield, Chairman
John E F Lloyd, Managing Director
Low C N Bury
A p Conway
The Earl De La Warr
James Dewson
Simon F Every
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Edward W Jackson
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JJLGS/VAB

Portals Holdings PLC

Overton Mill, Overton, Basingstoke, Hampshire RG25 3JG. Telephone Basingstoke (0256) 770770: Fax (0256) 770937: Telex 858217.

1st February, 1988.

B. Ingham, Esq., 10 Downing Street, LONDON, S.W.1.

Dear Bernard,

I understand that the Prime Minister is likely to pay a visit to Turkey towards the middle of this year. With this in mind I thought she might be interested in hearing about a scheme that one of our water treatment companies is actively pursuing in that country. Water Projects International, a subsidiary of Paterson Candy International, which is one of the major water treatment companies in our group, has extensive experience in Turkey. During the last ten years, we have designed and built three important drinking water plants, most notably the two phases of the Ankara Water Works which, with a capacity of 220 million gallons per day, is one of the largest built anywhere in recent times. This plant has been a great success and I.S.K.I., the authority responsible for drinking water supply to Istanbul, is very impressed by it.

Istanbul now has an urgent need for new treatment works and we already have a 90 million gallons per day contract for Buyukcekmecece, a district of the city. Additionally, we have been having discussions with I.S.K.I. concerning the Omerli supply and treatment scheme. To give you an idea of the size of this contract, the water treatment contract alone will be worth £40-45 million and the whole scheme, including reservoir and pipeline, £200 million, making it amongst the biggest schemes worldwide in our business.

We are proposing either to design and build the water treatment plant or to design, build and operate the entire scheme, with the latter the front-runner. We have established the basis for a consortium, which will include Costain, one of the U.K. Water Authorities and ourselves. We have also had meetings with likely Turkish partners, whom we know well from previous work in Ankara. Within this country, E.C.G.D. and the Department of Trade and Industry are fully aware of the project and our Ambassador in Ankara has met the chairman of I.S.K.I. who knows Costain and ourselves well. We have also applied for Aid and Trade Provision support

We believe that we have a very good chance of winning this big contract, not least because of the good track record that we have in Turkey. It goes without saying that any help that the Prime Minister might feel able to give us would undoubtedly help our cause enormously.

Yours eva Julian

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