CONFIDENTIAL

FM ANKARA

TO IMMEDIATE DTI

TELNO OTTER 0090

OF 110805Z MAY 88

INFO PRIORITY FCO, ISTANBUL

INFO ROUTINE TOKYO

MS

FOR WHEELER PEP1

YOUR TELES NOS OTTER 106-108:
THIRD BOSPHORUS BRIDGE AND ISTANBUL EXPRESSWAY

THERE WOULD BE NO NEW PUBLIC INVESTMENT THIS YEAR).

1. I DELIVERED THE PRIME MINISTER'S LETTER TO THE MAYOR
OF ISTANBUL ON 10 MAY. DALAN SAID THAT HE WAS GRATEFUL BUT THAT
TECHNICAL AND FINANCIAL STUDIES ON THE BRIDGE PROJECT WOULD
TAKE TIME, NOT JUST MONEY. TIME HE COULD NOT AFFORD.
THE ITALIANS HAD BEEN TO SEE HIM THAT DAY: THEIR CREDIT OFFER
IN SUPPORT OF THE ITALIAN BID WAS AVAILABLE FOR A MAXIMUM
OF TWO MONTHS. AND, IF HE DELAYED, ANKARA BUREAUCRATS WOULD
DOUBTLESS TRY EVEN HARDER TO SABOTAGE HIS PLANS. (THE
PRIME MINISTER AGAIN ANNOUNCED PUBLICLY ON 9 MAY THAT

- 2. DALAN SAID THAT HE HAD ONLY SUGGESTED A COMBINED PROJECT
 BECAUSE HE WANTED TO DO A SERVICE TO ANGLO-TURKISH
 RELATIONS AND A FAVOUR TO THE PRIME MINISTER (FOR WHOM HE HAD
 GREAT ADMIRATION) BY PREVENTING TH/CB BEING CUT OUT OF THE
 BRIDGE PROJECT. IN THE LIGHT OF HER LETTER, HE THOUGHT THE
 BEST COURSE WAS TO GO AHEAD WITH THE EXPRESSWAY PROJECT
 IMMEDIATELY. IT WOULD BE AWARDED TO TWEEK, IN WHICH TARMAC WAS
 THE MAIN ELEMENT. STFA WOULD GET THE BRIDGE. STEEL FOR IT
 WOULD BE BOUGHT WHEREVER IT WAS BEST AND CHEAPEST: UNFORTUNATELY
 BRITAIN SEEMED UNLIKELY TO PROVE COMPETITIVE AGAINST SPAIN.
- 3. AT NO POINT DID DALAN ASK FOR MORE AID FOR EITHER PROJECT.
- 4. HAVING SAID THAT IMMEDIATE CONCLUSION OF THE CONTRACT WITH TARMAC WAS CERTAINLY THE RIGHT COURSE, I ASKED ABOUT THE TECHNICAL AND FINANCIAL VIABILITY OF THE RIVAL BIDS TO TH/CB FOR THE BRIDGE. WAS HE CONFIDENT? DALAN SAID THAT

PAGE 1 CONFIDENTIAL AN ASSESSMENT OF THE CHOSEN DESIGN SUFFICIENTLY AUTHORITATIVE TO SATISFY INTERNATIONAL INSURERS AND FINANCIERS WAS, OF COURSE, NECESSARY: HE INTENDED TO COMMISSION IT, PROBABLY FOR THE STFA PROPOSAL.

- 5. DALAN, IN ASKING THAT MESSAGES OF RESPECT, GOODWILL ETC BE FORWARDED TO THE PRIME MINISTER, SAID THAT HE WANTED TO STRESS THAT THE EXPRESSWAY PROJECT WAS HALF AS BIG AGAIN AS THE BRIDGE: BRITAIN WAS FAR FROM BEING NEGLECTED.
- 6. SEE MIFT FOR COMMENT

DAUNT

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MAIN

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COMED
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MR TEGID JONES, TREASURY

MR TWYFORD, ECGD
MR GEORGE, PD4, ECGD
PS/NO.10 DOWNING STREET
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