ccNO

JF5928

Prime Minister

To note.

AT 14/3

CONFIDENTIAL

PRIME MINISTER

INWARD INVESTMENT PROMOTION

I have discussed with colleagues most directly concerned the E(A) invitation of 6 October to bring forward proposals for improving inward investment promotion co-ordination in the UK.

2 It was agreed that I should put a paper to E(A) in July as the basis for a comprehensive, yet small and efficient, review of inward investment promotion.

3 It was further agreed that in the meantime officials should be instructed to prepare for the review. The lines they should follow were:

(i) while they should approach the subject with an open mind, they should take account of the fact that Ministers were disposed to consider an integrated "Locate in Britain" type of activity insofaras overseas representation was concerned; and

(ii) they should take account of the need to retain specific aspects of existing territorial promotional activities which contribute distinctive elements, notably once an investor is actively considering the UK; and of the need for the proper and efficient use of resources.

These discussions will remain confidential and I hope that other colleagues see no difficulty in our proceeding in this way.

4 I am copying this minute to E(A) colleagues and to Sir Robert Armstrong.

NT

N T

14 March 1984

Department of Trade and Industry

Trade Feb 81

Inward investment

CC NO

CONFIDENTIAL

NBPM

AT 4/4

JH 212

PRIME MINISTER

INWARD INVESTMENT PROMOTION

George Younger has, in his minute to you of 22 March, sought to qualify my minute to you of 14 March. I recognise George's anxiety to maintain the effectiveness of Scotland's inward investment promotion. But our aim through a review is to see how effectiveness overall can be improved. The limitations on the work of the review which he suggests would be inconsistent with:

i) objective consideration of how the total resources available overseas for inward investment promotion can be deployed in the most efficient and cost-effective way; and

ii) the intentions for the review framed at the Ministers' meeting reported in my minute to you of 14 March.

2 I hope that colleagues will accept that we should proceed on the basis of my minute of 14 March which, inter alia, and to meet George Younger's concerns, provides that officials should take account of the need to retain specific aspects of existing territorial promotional activities which contribute distinctive elements, notably once an investor is actively considering the UK.

/3....

3 Agreement to proceed on this basis would not in any way prejudge the outcome of the review. The case for continuing with the distinctive promotion of Scotland overseas in its present form could certainly be considered within the context of the review.

4 I am copying this minute to E(A) colleagues and Malcolm Rifkind and to Sir Robert Armstrong.

NT

N T

3 April 1984

Department of Trade and Industry

Trade: Inward Investment Feb 87

4 APR 1984

CONFIDENTIAL

(2)

PRIME MINISTER

Inward Investment Promotion

Mr. Younger feels that Mr. Tebbit's minute to you of 14 March does not recognise adequately the role and effectiveness of Scotland's inward investment body "Locate in Scotland". The Scottish Office view is that "Locate in Scotland" has been successful both in attracting inward investment (as with Winvest) and in co-ordinating the activities of different Scottish agencies and authorities. They feel that the problem lies in England where there has been more overlap and wasteful duplication. The Scottish Office would like to see each territory with its own inward investment body which would have responsibility for co-ordinating activity within its area.

You do not need to intervene at this stage as Mr. Younger will no doubt argue his case when the paper is prepared for E(A) in July.

JT

22 March 1984

CONFIDENTIAL

CONFIDENTIAL

ECNO

SECRETARY OF STATE FOR SCOTLAND

SCOTTISH OFFICE
WHITEHALL, LONDON SW1A 2AU

22 March 1984

PRIME MINISTER

INWARD INVESTMENT PROMOTION

I should like to add a qualification to Norman Tebbit's minute to you of 14 March.

Within Scotland our re-organisation of inward investment effort under 'Locate in Scotland' is widely perceived as a successful policy initiative which stands to the credit of this Government. We have secured over the last 3 years a co-ordinated Scottish activity in which overlap and wasteful duplication have been kept to a minimum both here and overseas. Our advertising and publicity campaigns have been effective and the accelerating pace of enquiries, visits and investment decisions demonstrates the improvement in our performance. The inward investments generated have significantly expanded our technology base at a time when our declining industries have been rapidly losing jobs. This success can only be of long term benefit to the UK economy.

Against this background it was agreed that the proposed review of inward investment promotion should take account of my desire to retain our distinctive Scottish efforts both here and overseas rather than have them subsumed in an overall UK structure. I believe that we have shown the way in which a high measure of co-ordination with minimum overlap can be achieved.

I fully support measures to secure maximum co-ordination of the constituent parts which make up our overall UK effort and I consider this to be an evolutionary process best achieved by free communication and the ready acknowledgement of the interdependence of all our activities. It was on this basis that I entered my agreement that officials should review the position and produce a paper for E(A) by July.

I am copying this minute ot E(A) colleagues and to Sir Robert Armstrong.

G.Y.

G.Y.

Trade: Inward Investment Feb81.

22 MAR 1984

File ECL

15 March 1984

Inward Investment Promotion

The Prime Minister has seen and noted your Secretary of State's minute of 14 March reporting on progress with the review of inward investment promotion.

Andrew Turnbull

Callum McCarthy Esq
Department of Trade and Industry