MANAGEMENT IN CONFIDENCE

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JU749
Secretary of State for Trade and Industry

7 July 1986

The Rt Hon Nigel Lawson MP
Chancellor of the Exchequer
HM Treasury
Parliament Street
London SW1P 3AG

Prime Minister 4
~~To be aware that a review of the arrangements for co-ordinating the promotion of inward investment is getting under way.~~
~~NBPM~~
~~DCR~~ 18/7

NBPM.

Dear Nigel,

REVIEW OF INVESTMENT PROMOTION

Norman Tebbit minuted the Prime Minister on 29 March 1985 on the outcome of the last review by officials. This looked at the possibility of developing an integrated UK promotional organisation and preventing unco-ordinated activity by English local authorities and new towns. He concluded that the wide differences of opinion held by colleagues and their officials meant that further work directed at these objectives would be a waste of Ministers' and officials' time. Instead he recommended that, with a view to seeking improved arrangements, E(A) should carry out a review in July 1986 following the "Britain Means Business" campaign and with the benefit of an assessment of the situation in the United States by the Foreign and Commonwealth Office.

There seems to be a general consensus that this is not the time for another fundamental review of the structure of inward investment promotion. My remit is, in essence to conduct a review of how current arrangements are working and to report on the outcome of the "Britain Means Business" campaign. I feel that the most appropriate way of doing this would be for me to send a report under cover of a letter to the Prime Minister.

Work is in hand on this, but it is important that the assessments should be thorough and comprehensive. I propose therefore that some extra time be allowed. My officials will of course consult yours over the content of my letter and report to the Prime Minister. I intend that all the necessary consultation should be carried out by correspondence and be completed in time for me to write in early Autumn. I propose the following terms of reference for this work:

> "To review the operation of the current arrangements for the co-ordination of inward investment promotion and to recommend improvements within the existing organisational framework. This should be done with the benefit of an assessment of the "Britain Means Business" campaign by the Invest in Britain Bureau and of the activities of promotional bodies in the USA by the Foreign and Commonwealth Office."

I should be grateful for your agreement whereupon my officials (with those of the Foreign and Commonwealth Office) will take the lead in drafting the report.

I am copying this letter to the Prime Minister, Geoffrey Howe, E(A) colleagues, and Sir Robert Armstrong.

Yours,

Paul

PAUL CHANNON

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1986
BOARD OF TRADE
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Inward Investment: TRADE
Feb '81.

SCOTTISH OFFICE
WHITEHALL, LONDON SW1A 2AU.

MANAGEMENT - IN CONFIDENCE

The Rt Hon Paul Channon MP
Secretary of State for Trade and Industry
Department of Trade and Industry
1 Victoria Street
LONDON
SW1H 0ET

17 July 1986

NBPM.

Dear Paul,

REVIEW OF INVESTMENT PROMOTION

Thank you for copying to me your letter of 7 July to Nigel Lawson about the review aimed at possible improvements to the co-ordination of inward investment promotion within the existing framework. I am very happy to endorse your approach. I assume that my officials too will be consulted about the drafting of the report.

I am copying this letter to the Prime Minister, Geoffrey Howe, members of E(A) and Sir Robert Armstrong.

Yours ever,

Malcolm

MALCOLM RIFKIND

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