



CONFIDENTIAL

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From: J B UNWIN
29 August 1986

MR WILLIAMSON

cc Mr Wiggins
(for info) Mr Addison No 10

AIRBUS A330/A340 PROJECTS

Following our conversation this morning I spoke to Mr Channon's office about the Times front page report on British participation in the new Airbus projects.

2. They have instructed the DTI Press Office to take a low key line on the basis that this is a premature report, on which no sensible comment can be made; no decisions have been taken and indeed British Areospace have not yet submitted any formal application for launching aid.

3. I am sure that this is the right kind of response and I have asked DTI to make sure that they relay it to the FCO so that the appropriate guidance can be sent to European posts. Pressure from the industrial lobby can be expected to step up during the Farnborough period, and it is important that all the options for the Government should be kept open.

4. As you know, we have provisionally put this on the agenda for consideration at E(A) on 24 September. DTI believe, however, that this may have to slip. The meeting of the AI Board due to take place in September has now been postponed until October. More information should, however, emerge from the various contacts and discussions at Farnborough, and DTI will keep in close touch with us on progress.

J B UNWIN

