Telephone
01-212 ~~3751~~ 3993

DEPARTMENT OF TRANSPORT
2 MARSHAM STREET
SW1P 3EB

Apologies - please replace your first copy with this classified & dated copy

With the Compliments of
the Private Secretary to the
Secretary of State for Transport

Sent out 2/4/87

CONFIDENTIAL

COMMERCIAL - IN-CONFIDENCE

DEPARTMENT OF TRANSPORT
2 MARSHAM STREET LONDON SW1P 3EB

01-212 3434

Our Ref : JM/PSO/3749/87

The Rt Hon Norman Lamont MP
Financial Secretary to the Treasury
HM Treasury
Treasury Chambers
Parliament Street
LONDON SW1P 3AG

2 APR 1987

Dear Norman.

TIMING OF BAA PRIVATISATION AND EUROTUNNEL EQUITY 3

Thank you for your letter of 27 March in which you agreed to the BAA impact day being brought forward to 17 June subject to two points.

On the first, Eurotunnel have accepted that the Equity 3 impact day should be 1 July, and they are clear that they will not be allowed an impact day earlier than this. Your second proviso about the need for an instalment agreement for the Rolls Royce sale has been the subject of separate correspondence between you and Geoffrey Pattie. I see from Geoffrey Pattie's letter of 30 March that he cannot agree to your request for an instalment agreement. I understand why you made your request, but I hope you will agree that the simultaneous trading of RLAs, although undesirable, does not constitute a sufficient reason for not agreeing to a 17 June impact day for BAA.

My officials and BAA have had to begin planning, and committing expenditure, on the basis that BAA impact day will be 17 June, and I hope that that can now be confirmed quickly.

I am copying this letter to the Prime Minister, the Foreign Secretary, the Chancellor of the Exchequer, the Secretary of State for Trade and Industry, the Minister for State for Industry and Information Technology, and Sir Robert Armstrong.

Yours
John

JOHN MOORE

CONFIDENTIAL COMMERCIAL IN CONFIDENCE

cc BG

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AEROSPACE –
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