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FCS/88/069

THE CHANCELLOR OF THE DUCHY OF LANCASTER

Space

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1. Thank you for sending me a copy of your minute of 11 April to the Prime Minister, which I have read with interest.

2. I am pleased that you have decided that the UK should participate in the Columbus Polar Platform at a level which should enable us to lead. I agree with you that it represents a logical progression from the decision to concentrate on earth observation as a national priority, and to support the ERS-1 project and proceed with a new Earth Observation Data Centre.

3. It is also gratifying that industry have now established what their priorities should be, and that they centre on the Columbus Polar Platform. As you say, their support, and the evident success you have had in having the configuration of the Polar Platform modified to be less expensive and more functional, indicates the likelihood of the project's commercial relevance. I hope that our 5.5% share will indeed enable the UK to lead so that we can ensure the development of the Polar Platform meets our needs and those of British industry.

4. Our participation in the Polar Platform will also have the effect of strengthening the contribution we make to ESA programmes and of influencing the direction

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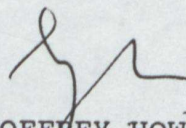
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these take. This could be important if any of the major new programmes, such as Hermes, were to founder, and the need arose to replace them.

5. I understand that ERS-2 seems increasingly unlikely to go ahead, and accept that we should not join it. I am less happy about Radarsat, particularly in view of the recent press flurry about our likely non-participation. However, the fact that it is a one off project with a high price tag lends force to your argument that it will not provide good value for money, and would undermine the level of our participation in other projects. I would ask only that we give the Canadians advance warning - this might best be done by routing your letter to Mr Oberle through our High Commissioner at Ottawa, and giving the High Commissioner the necessary background to explain the decision.

6. I note that you consider we should not join the Aramis Communications project, and that it too may not go ahead. I would not wish to dispute this.

7. I am copying this minute to the Prime Minister, George Younger, Kenneth Baker and John Major, and to John Fairclough and Sir Robin Butler.


(GEOFFREY HOWE)

Foreign and Commonwealth Office
13 April 1988

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