

PRIME MINISTER

MEETING WITH MR CLIFFORD GARVIN AND EXXON

Mr Garvin, the Chairman of EXXON is coming to see you at 1700 on Tuesday. He will be accompanied by Mr Archie Forster of Esso. EXXON are holding a meeting of their World Board in London and had originally invited you to be chief guest at their dinner. This meeting was offered as a replacement.

Esso operates in the North Sea in a 50/50 partnership with Shell, with Shell being the operator. In the oil sector their fields are Brent, Cormorant, Auk, and Dunlin, with Leman Bank in the gas sector. Esso also have a 20% share in Sleipner.

The attached brief provides notes on the subjects which could be raised. Also attached is an extract from Esso's evidence to the Select Committee on Energy on Sleipner. As one would expect from a company with an interest in the field it is totally at variance with the evidence of BP which does not. You could also raise with Mr Garvin the question of unitary taxation. Does he believe the outstanding issues on the taxation of dividends of US corporations will be resolved quickly in order that the so called "waters edge solution" can be put in place?

Finally, you may want to discuss with Mr Garvin how he, as a businessman in the US, sees the prospects for interest rates and the federal deficit.

AT

29 June 1984



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10 DOWNING STREET

Note for Record

1 spoke to N Wusteman about the PM's meeting with Mr Gavie and N Farber. I agreed that no biographical details were required.

We agreed on the following subjects as likely to come up

(A) General

- (i) Prospects for US economy, interest rates, international debt, the banking system
- (ii) Prospects for UK economy, particularly as a place to invest
- (iii) Middle East and the Gulf

(B) Specific

- (i) UKCS development
- (ii) Taxation of oil and gas (~~that~~ confined to general remarks and not detailed questions)
- (iii) Supplies and development of UKCS gas
- (iv) Unitary taxation.

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NOTE FOR THE FILE

I rang Mr. Wusteman today and asked him to change the time of Mr. Garvin's and Mr. Forster's meeting with the Prime Minister next Tuesday. It is now scheduled for 1700 hours.

CP

28 June 1984



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10 DOWNING STREET

David / Andrew

Mr Wusteman from
Esso phoned (245 2524)
about the PM's
meeting with Mr
Garvin & Mr Forster
on 3 July.

He would like to
know if there are
any particular
subjects likely to be
discussed, and
whether the PM would
like biographical
details of them?

Can you phone him
please
Nicky 2016