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The Rt. Hon. Lord Young of Graffham Secretary of State for Trade and Industry

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Our ref PSIAUH
Your ref

Date 11 May 1988

Dear Chala,

Your letter of 4 May asked for a draft reply to a letter from Mr J W S Fletcher, Director of Trafalgar House, about the ... Third Bosphorus Bridge project. I enclose a draft.

Both Trafalgar House and Tarmac/Wimpey are aware of the content of the Prime Minister's reply to the Mayor of Istanbul. While we tend to share Trafalgar House's conclusion that the Mayor favours a combined approach and private sector financing, Tarmac/Wimpey take a contrary view. The Prime Minister's reply seeks to convey the impression of a positive reaction. The Ambassador in Ankara is unlikely to be able to see Mayor Dalan before today.

I am copying this letter and enclosure to Lyn Parker (Foreign and Commonwealth Office).

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STEPHEN RATCLIFFE Private Secretary

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DRAFT LETTER FROM PS/PRIME MINISTER

J W S Fletcher Esq Director Business Development Trafalgar House plc 1 Berkeley Street LONDON W1A 1BY

Thank you for your letter of 4 May about the Third Bosphorus Bridge.

As you will know from discussions with Government Departments, the Prime Minister has sent a reply to the Mayor of Istanbul which will be delivered by our Ambassador in the next day or two. In her reply, the Prime Minister gives a positive reaction to the Mayor's suggestion that the Bridge and Expressway projects should be combined. With a view to improving your company's negotiating position, the Government has offered to pay for technical and financial studies. We hope that the Mayor and the Turkish Government will take up this offer and that it leads to progress on both projects, whether on a combined or separate basis.

