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the department for Enterprise

CCP

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

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Dear Charles,
at flap

With my letter of 11 May I enclosed a draft reply to a letter from Mr J W S Fletcher, Director of Trafalgar House, about the Third Bosphorus Bridge project. Since then we have had reports from Ankara, which you have seen, of the Ambassador's discussion with the Mayor of Istanbul when Mr Daunt delivered the Prime Minister's reply to the Mayor.

... Although Mr Fletcher is fully aware of the present position, the attached revised draft reply summarises the outcome of the Mayor of Istanbul's talks with the Ambassador.

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

Yours sincerely
Stephen Ratcliffe

STEPHEN RATCLIFFE
Private Secretary

the
Enterprise
initiative

DRAFT LETTER TO J W S FLETCHER ESQ FROM PS/PRIME MINISTER

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

STWBLB

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 our Ambassador delivered on 10 May. While grateful for the British Government's offer to pay for technical and financial studies, Mr Dalan told Mr Daunt that this would take too long. Delay would play into the hands of those in Ankara who wished to postpone the project. The contract for the Bridge would be awarded to STFA. Steel would be bought wherever it was best and cheapest. When Mr Daunt asked the Mayor whether he was confident about the technical and financial viability of the various bids for the Bridge contract, Mr Dalan said that an assessment of the chosen design sufficiently authoritative to satisfy international insurers and financiers was, of course necessary. He intended to commission one, probably for the STFA proposal.

I understand that you have been discussing with the Department of Trade and Industry and other Departments this disappointing response and that you are considering with them the next step. We hope that it will be possible for you to ^{find a way to} regain the initiative.

I know that the Prime Minister would wish you well in this.

Ch.

C D POWELL
Private Secretary to Prime Minister

TURKEY: Pınarhisar

Feb 88

