

RESTRICTED - POLICY

DRAFT LETTER FOR THE SIGNATURE OF MR MCCARTNEY TO JOHN ROBERTS

BA/POCL AUTOMATION PROJECT

Thank you for your letter of 4 November to Peter Mandelson. It was helpful to have this clear restatement of your own position in relation to the various options under consideration, together with your assessment of the negotiations with ICL so far. I have also noted carefully your comments on the Working Group Report.

On the specific point of your ideas for injecting additional value into the business case, I understand that my officials have already made clear to yours that we would not wish you to make any such offer, even tentatively or provisionally, until my colleagues and I have had an opportunity of considering the outcome of this week's negotiations.