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THE PRIME MINISTER

23 June 1987

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T122/87

Dear Mr. President.

Thank you for your letter of 6 May about the Venice Economic Summit. In case you have not seen it I enclose a copy of the Economic Declaration.

The economic situation in developing countries, particularly in Africa was discussed at considerable length at Venice. This reflects the importance that we all attach to promoting Africa's development. We welcomed recent measures to help developing country debtors, and in particular the higher than expected replenishment of IDA 8 and the recent proposal to increase substantially the resources of the IMF's Structural Adjustment Facility. Some of the problems of the poorest debtors, particularly in sub-Saharan Africa, are uniquely difficult and merit special treatment. As you may know, my colleague the Chancellor of the Exchequer proposed in April a new initiative in the Paris Club of official creditors, involving lower interest rates and extended repayment and grace periods on official rescheduled debt for some of the poorest and most heavily indebted countries in Africa that are undertaking adjustment efforts but the economic growth of developing countries is closely linked to that of industrial countries. At the Venice Summit we reaffirmed our commitment to reducing the economic imbalances between us and to coordinate our economic

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policies. We also renewed our commitment to the new GATT round and to reduce protectionism so that developing countries can have unhindered access to markets for their products, including their agricultural exports. I can assure you that my government strongly supports all efforts to liberalise trade and to open up markets, and I believe that in this way we shall contribute greatly to the economic recovery of Africa. I recall our very useful talk when you visited London.

Yours sincerely
Margaret Thatcher

His Excellency Colonel Denis Sassou-Nguesso