cc Press Office Pro Minister Ref. A088/2166 MR WICKS You will have seen the letter from the Chairman of the Thyssen Trustees in which he says that the Trustees do not feel it appropriate to enter into discussions with other interested Governments or Institutions while negotiating the loan to Spain Majesty's Government's offer cannot remain on the table beyond the end of this month, they have contact HMG in the event that circumstances change at some time in the future. ful the involus miles have bold us the formation continued the ally alost the code of the Stanik Comment.

I interpret this letter as saying that the Trustees do not feel able to pursue our proposal at present but may wish to approach us if the negotiations with Spain fall through. is not an altogether unsatisfactory outcome at this stage. I have not been able to reach Mr Coleridge to establish whether the Trustees have said, or propose to say, anything to the press. I suggest that until we know their intentions about that, the Government should not take an initiative, but, in case the story breaks over the weekend, I suggest the following press line which I have discussed with the Office of Arts and Libraries and yourself:

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"Her Majesty's Government have been informed by the Trustees of the Thyssen-Bornemisza Collections Trust that they have considered the British Government's proposal to provide a long term location for the Thyssen Bornemisza Collection. They have indicated that, while grateful for the British Government's proposal, discussions with the Spanish Government about a loan of the Collection for display in Madrid are at an advanced stage, and that it would be inappropriate to enter negotiations with another Government while these discussions continue. Her Majesty's Government fully understands and accepts this position."

- 4. I shall submit after the weekend a draft reply to Mr Coleridge, on the lines previously agreed ie that HMG would be prepared to consider the matter further if at some time in the future Baron Thyssen-Bornemisza and the Trustees decide that they would wish to pursue the provision of a long term location for the Collection in the United Kingdom.
- 5. I am copying this minute to the Private Secretaries to the Chancellor of the Exchequer, the Secretary of State for the Environment, the Attorney General and the Minister for the Arts.

MA Waalley
(Private Secretary)
ROBIN BUTLER

15 July 1988

Approved by the Cabinet Secretary and rigued in his absence



10 DOWNING STREET

LONDON SWIA 2AA

From the Principal Private Secretary

SIR ROBIN BUTLER

THYSSEN COLLECTION

I have shown the Prime Minister your minute of 15 July about the letter of the same date from the Chairman of the Thyssen trustees.

The Prime Minister thinks that we should get a statement - presumably by Written Answer - to Parliament informing them of the latest position. She takes this view because the offer lapses at the end of July and we should therefore not leave matters in the air. She thinks that the draft announcement should be cleared in draft with the trustees and the Baron. The Prince of Wales should also be made aware of the position.

BF)

I should be grateful if you could let me have a suitable draft answer which might make the position clear in the way the Prime Minister has suggested. I do not think that it necessarily follows that she should give the reply herself. But that is something on which we can seek her views at the same time as she approves the text.

Finally, you should know that the Prime Minister believes that the trustees might have told us about the information contained in the third paragraph of the letter concerning their contacts with the Spanish government. She has commented that we did not know that the trustees had indicated to the Spanish government prior to their receipt of HMG's proposal that they would seek to try to achieve an agreement along the lines of the preliminary accord reached with the Spanish government in April.

I am sending a copy of this minute to Alex Allan (HM Treasury), Roger Bright (Department of the Environment), Michael Saunders (Attorney General's Office) and Eleanor Goodison (Office of the Minister for the Arts).

N.L.W.

(N. L. WICKS) 18 July 1988