

CONFIDENTIAL - POLICY



10 DOWNING STREET  
LONDON SW1A 2AA

File

bcc DS, P.U.

E/Duty free

KIC

3 July 1997

Dear Nick,

**IRELAND: DUTY FREE**

In talks with Bertie Ahern today, the Prime Minister was struck by the force of his lobbying on duty free. The Prime Minister understands that Ahern has a strong constituency interest in this.

In the light of his representations, the Prime Minister would like to investigate the issue in more detail. I assume the UK position hitherto has been to against extending duty free. But it would be helpful to have an analysis of the pros and cons of an extension, including DETR's views.

The Prime Minister understands that extension requires unanimity in the EU. If we were to back the Irish position, would that in practice affect the likely outcome? What is the position of other countries?

I would be grateful if you could arrange for these issues to be looked at and let us have a report back as soon as possible.

I am copying this letter to Jeff Jacobs (Department of Environment, Transport & Regions), David Kyle (Northern Ireland Office) and Dominick Chilcott (Foreign and Commonwealth Office).

MOIRA WALLACE

Nick Macpherson Esq  
HM Treasury

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