

Digest of information – FOI 0089-17

1. Telegram from London to British High Commission (BHC) New Delhi, 11/06/1992

File title: INDO/BRITISH IPPA

FROM: (Redacted under s40), JOINT DIRECTORATE

INDO-BRITISH IPPA

1. YOUR TELNO 1116 HAS BEEN PASSED TO THE JOINT DIRECTORATE WHICH IS THE LEAD FCO DEPARTMENT ON THIS SUBJECT. I HAVE ALSO SEEN COPIES OF (Redacted under s40) MINUTE OF 20 OCTOBER AND HIS LETTER OF 22 OCTOBER TO OT4/DTI.

2. THE INDIAN'S NEW FOUND INTEREST IN IPPAS IS WELCOME. A COPY OF OUR MODEL TEXT IS BEING SENT TO YOU IN THE BAG WHICH CLOSED ON 5 NOVEMBER. OUR MODEL DRAFT, ORIGINALLY BASED ON AN OECD MODEL, ENSHRINES INTERNATIONALLY ACCEPTED STANDARDS AND PRINCIPLES. IT REPRESENTS OUR OBJECTIVES IN ANY NEGOTIATIONS AND YOU MAY PASS IT TO THE INDIANS AND COMMEND IT AS A BASIS FOR NEGOTIATION.

3. I AM NOT IN FAVOUR OF GIVING THE INDIANS COPIES OF IPPAS WE HAVE ALREADY SIGNED WITH OTHER COUNTRIES, SINCE BECAUSE EACH AGREEMENT MAY BE UNIQUELY DIFFERENT, THESE WOULD NOT REPRESENT OUR OBJECTIVES IN ANY NEW NEGOTIATIONS. HOWEVER, YOU ARE ALSO BEING SENT BY BAG, A COPY OF OUR BACKGROUND NOTE ON IPPAS TOGETHER WITH A LIST OF THOSE ALREADY SIGNED. PLEASE DRAW ON THESE AS APPROPRIATE.

4. IF THE INDIANS WERE TO NOTIFY YOU THAT THEY WERE CONTENT WITH THE MODEL TEXT WE COULD OBVIOUSLY REACH AGREEMENT QUICKLY AND PERHAPS HAVE A TEXT READY FOR INITIALLING IN JANUARY.

(Redacted under s27). IN THOSE CIRCUMSTANCES IT WOULD BE UNREALISTIC TO EXPECT TO REACH AGREEMENT BY JANUARY. MOREOVER, OUR NEGOTIATING CAPABILITY IS LIMITED AND ALREADY HEAVILY COMMITTED TO OTHER ONGOING NEGOTIATIONS. IT IS IMPOSSIBLE AT THIS STAGE TO FORECAST HOW QUICKLY NEGOTIATIONS COULD PROGRESS. THAT WOULD DEPEND ON THE NATURE OF THE RESPONSE TO THE MODEL TEXT. IN THE LIGHT OF YOUR REPORT ON THE REACTION WE WOULD CONTRIBUTE APPROPRIATE BRIEFING IN TIME FOR THE PROPOSED VISIT IN JANUARY.

2. Telegram from London to BHC New Delhi, 16/12/1992

File title: INDO/BRITISH IPPA

FROM JOINT DIRECTORATE

YOUR TELNO 1241: UK/INDIA IPPA

1. AS INDICATED IN FCO TELNO 1018, HAD THE INDIANS QUICKLY AGREED OUR MODEL TEXT A FINAL ENGLISH TEXT COULD HAVE BEEN PREPARED FOR INITIALLING IN JANUARY. FULL SIGNATURE OF A BILINGUAL TEXT WAS UNLIKELY TO HAVE BEEN A REALISTIC POSSIBILITY WITHIN THIS TIMESCALE. [Redacted under s40] OBVIOUSLY SHARES OUR DOUBTS. [Redacted under s40]

PROVIDED THE INDIANS TAKE A DECISION IN PRINCIPLE IN TIME A REALISTIC OBJECTIVE WOULD BE TO INCLUDE IN THE PROPOSED JOINT STATEMENT A COMMITMENT TO BEGIN IPPA NEGOTIATIONS. HERE ALSO [Redacted under s40] APPEARS OF LIKE MIND.

2. MEANWHILE, WE AGREE THAT YOU SHOULD MEET [Redacted under s40] REQUEST FOR COPIES OF EXISTING IPPAS. ONLY 5 OF THE 49 COUNTRIES WITH WHOM UK HAS SIGNED IPPAS ARE NOT MEMBERS OF MIGA. IN RECENT YEARS THEY INCLUDE BURUNDI (1990) AND ANTIGUA (1987). OF THE OTHERS, SINGAPORE, WITH WHOM WE SIGNED IN 1975, MIGHT INTEREST THE INDIANS. MIGA MEMBERS WITH WHOM WE HAVE RECENTLY SIGNED INCLUDE BAHRAIN (1991). COPIES OF OUR IPPAS WITH SINGAPORE AND BAHRAIN FOLLOW BY BAG CLOSING ON 17 DECEMBER.

3. Telegram from BHC New Delhi to London, 11/01/1993

FOLLOWING FOR HEAD, SAD AND JOINT DIRECTORATE FROM [Redacted under s40]

1. THE INDIAN MODEL TEXT HAS NOW BEEN APPROVED AT MINISTERIAL LEVEL. WE EXPECT TO RECEIVE A COPY TODAY (1 NOVEMBER), AND WILL FAX IT AS SOON AS WE DO. [Redacted under s40], TOLD THE HIGH COMMISSIONER ON 29 OCTOBER THAT THE INDIANS WERE NOW READY FOR A VERY RAPID NEGOTIATION OF AN AGREEMENT, WITH A VIEW TO SIGNING IT DURING MR HURD'S VISIT TO INDIA ON 15-16 NOVEMBER. UNTIL WE SEE THE TEXT, WE DO NOT KNOW WHETHER SUCH AN ACCELERATED PROCEDURE IS AT ALL POSSIBLE. HOWEVER, IF THE DIFFERENCES FROM OUR TEXT ARE MINOR, OUR VIEW IS THAT IT IS WORTH PULLING OUT ALL STOPS TO TRY TO GET AN AGREEMENT THROUGH IN TIME. THIS WOULD BE A SIGNIFICANT ACHIEVEMENT FOR IBPI, AN EXTRA INCENTIVE TO BRITISH INVESTORS AND EXPORTERS, AND A NOTABLE ACHIEVEMENT FOR THE SECRETARY OF STATE'S OWN VISIT. IT WOULD PUT US VISIBLY AHEAD OF THE PACK IN INDIA.

2. THE INDIANS ARE READY TO SEND A SENIOR FINANCE MINISTRY OFFICIAL TO LONDON THIS WEEK IF WE CAN AGREE.

3. GRATEFUL IF THE INDIAN TEXT CAN BE LOOKED AT AS SOON AS IT IS AVAILABLE IN LONDON, SO THAT WE CAN TAKE A QUICK VIEW ON WHETHER GAINING SUCH A PRIZE IN THE SHORT TIME AVAILABLE IS FEASIBLE IN PRACTICE. IF IT IS NOT, BECAUSE THERE ARE SERIOUS DIFFICULTIES IN THE TEXT, WE SHOULD NEGOTIATE A FORM OF WORDS WHICH CAN BE USED DURING THE SECRETARY OF STATE'S VISIT TO MAKE IT CLEAR THAT WE ARE IN ACTIVE NEGOTIATION AND EXPECT TO AGREE ON A TREATY VERY SOON.

4. Telegram from BHC New Delhi to London, 21/10/1993

File Title: INDIA: FINANCIAL MATTERS

UK/INDIA INVESTMENT PROMOTION AND PROTECTION AGREEMENT (IPPA)

1. We remain keen to make early progress towards concluding an IPPA but **(Redacted under s27)** there is now no realistic prospect to conclude an IPPA satisfactory to the UK in time for the Secretary of State's visit in November unless the Indians confirm within the next few days that they are able to accept the UK model IPPA text in its entirety (DHC's minute of 13 September, para 3, refers). Even then, we would still require Indian contributions to the definitions in Article 1 and their choice from the alternative texts available for Article 8 (Settlement of Disputes) and Article 13 (Entry into Force). To enable us to prepare appropriate briefing for the Secretary of State we should be grateful for a readout on the current Indian position.

2. An attractive alternative signing opportunity may arise early next year during s40 proposed visit to London, always provided we can agree an acceptable text on the lines of the UK model. We hope the Indian's share our view that the conclusion then of a strong IPPA would be a significant contribution to the Indo British Partnership Initiative. However that timing will also become unrealistically tight unless we receive acceptable Indian comments on our text within the next month.

5. Telegram from BHC New Delhi to London, 03/07/1994

FOR JOINT EXPORT PROMOTION DIRECTORATE

1. THANK YOU FOR THESE CONSTRUCTIVE PROPOSALS, WHICH WE PASSED ON TO **[Redacted under s40]** EARLY ON 4 MARCH. WE SPOKE TO HIM AGAIN ON 7 MARCH. HE SAID THAT THE PROPOSAL NOW HAD THE FULL APPROVAL OF THE INDIAN NEGOTIATING TEAM. HE WAS WORKING FLAT OUT TO OBTAIN THE APPROVAL OF HIS MINISTER AND THEREAFTER THE CABINET, WITH THE AIM OF FULL SIGNATURE DURING **(Redacted under s40)** VISIT. A SPECIAL

CABINET MEETING WOULD BE REQUIRED. HE HOPED THIS COULD BE ARRANGED AND NO MAJOR PROBLEMS ENCOUNTERED, BUT IT MIGHT TAKE UNTIL 9 OR 10 MARCH BEFORE THE SITUATION WAS ENTIRELY CLEAR. THIS WOULD STILL LEAVE THE INDIANS ENOUGH TIME TO MAKE ALL THEIR OWN ARRANGEMENTS FOR SIGNATURE. THEY WERE ALREADY WORKING HARD ON THE HINDI TEXT. HE HOPED THAT WE WOULD ALSO BE ABLE TO PULL ALL THE STOPS OUT. WE WOULD NEED TO SORT OUT ISSUES LIKE AVAILABILITY OF TREATY PAPER ETC. ECONOMIC COUNSELLOR MADE CLEAR THAT WE WERE INDEED READY TO DO OUR BIT BUT TIME WAS VERY SHORT.

2. **[Redacted under s27]. [Redacted under s40]** CERTAINLY SOUNDED CONFIDENT. IT WOULD THEREFORE SEEM SENSIBLE TO BEGIN OUR OWN INTERNAL APPROVAL PROCEDURES IMMEDIATELY, ON THE ASSUMPTION THAT INDIAN CABINET AGREEMENT WILL BE GIVEN. GRATEFUL FOR ANY FURTHER VIEWS ON TIMING AND PRACTICAL DIFFICULTIES.

3. IF THE HINDI TEXT PROVES DIFFICULT TO FINALIZE IN THE TIME AVAILABLE, MIGHT IT BE POSSIBLE TO SIGN AN ENGLISH TEXT ONLY IF BOTH SIDES WERE CONTENT TO DO SO, AND AGREE THE HINDI VERSION SUBSEQUENTLY?

6. Telegram from BHC New Delhi to London, 01/10/1994
File Title: India/UK: Inves. Promotion and Protect. Agreement

FOLLOWING FOR **[Redacted under s40]**, SAD, **[Redacted under s40]**, JOINT DIRECTORATE, AND **[Redacted under s40]**,
XAAA3, DTI FROM **[Redacted under s40]**

1. THE INDIAN CABINET HAVE FINALLY CLEARED THEIR MODEL TEXT, THE DRAFT OF WHICH WE WERE GIVEN ON 9 NOVEMBER. THE TEXT, WHICH WE ARE SENDING BY FAX, SEEMS TO CONTAIN ONLY ONE SMALL DIFFERENCE FROM THE DRAFT WE HAVE ALREADY (A NEW PARAGRAPH 3 IN ARTICLE 2).

2. WE NOW NEED TO FIX AN EARLY DATE FOR NEGOTIATIONS, AND IF POSSIBLE OFFER COMMENTS IN ADVANCE ON THEIR TEXT. THE AIM SHOULD BE TO SIGN AN AGREEMENT DURING THE INDIAN PRIME MINISTER'S VISIT TO LONDON IN LATE MARCH IF AT ALL POSSIBLE. WE CAN EXPECT THE INDIANS TO SHARE THIS AIM. IF WE MISS THIS DEADLINE, DIFFICULT THOUGH IT IS, IT MAY BE DIFFICULT TO FIND AS GOOD AN OPPORTUNITY TO FOCUS INDIAN MINDS FOR SOME TIME.

3. **[Redacted under s27]. [Redacted under s27]. [Redacted under S40]**, IS LIKELY TO LEAD THE NEGOTIATIONS FOR THE INDIANS. HE WILL BE AN AUTHORITATIVE AND IMPRESSIVE INTERLOCUTOR, WHOM WE WILL NEED TO MATCH. **[Redacted under s27]**.

4. GRATEFUL FOR THE EARLIEST POSSIBLE RESPONSE. I EXPECT THE INDIANS TO BE FLEXIBLE ON WHETHER THE NEGOTIATIONS START IN LONDON OR DELHI. GRATEFUL FOR AN INDICATION OF OUR PREFERENCE, IF ANY.