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FILE TITLE: <i>RELATIONS</i>		SERIES <i>MAURITANIA</i>
PART BEGINS: <i>31 DECEMBER 1997</i>		PART: <i>1</i>
PART ENDS: <i>12 July 1999</i> <i>7 JUNE 2001</i>		CAB ONE:

Labour Administration

Part done

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PART

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Part : 1

Date	From	To	Subject	Class	Secret
31/12/1998	FA/APS	FCO	Mauritania	C	0
12/07/1999	FCO	FA/APS	Mauritania Debtr	C	0

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**Top papers with the
Prime Minister**

Date

15/7

President of

Mauritania



Foreign &
Commonwealth
Office

London SW1A 2AH

Top-PB
JPO
JS
MT
AC

(7)

12 July 1999

Dear Philip,

Mauritania Debt

... I enclose a self-explanatory draft response to the attached letter from the President of Mauritania for the Prime Minister's signature.

Yours ever,

Sheward

(Sherard Cowper-Coles)
Principal Private Secretary

Philip Barton Esq OBE
10 Downing Street

July 1999

His Excellency
M. Maaouya Ould Sid Ahmed Taya
President of the Islamic Republic of Mauritania

Thank you for your letter of 13 June about discussion of debt at the G8 Summit held in Cologne. I appreciate your support for the United Kingdom's efforts.

As you noted in your letter, the UK has been at the forefront of initiatives to secure faster, wider and deeper debt relief through the HIPC initiative. I am pleased to say we have succeeded in our efforts to gain multilateral consensus on this issue. At the Cologne Summit, the G8 leaders called for the existing framework for providing debt relief to Heavily Indebted Poor Countries to be enhanced so that it delivered more generous debt relief more quickly and to a wider group of countries, and for the link between debt reduction and poverty reduction to be strengthened.

These measures could reduce by some \$70 billion the debts of countries qualifying under the HIPC initiative. This will significantly cut the debt service burden of the poorest countries, releasing resources for social spending, particularly on health and education, and contributing substantially to the ~~UK's policy on eliminating~~ poverty in developing countries. *ion 1*

Mauritania will benefit directly from the changes agreed when it reaches its HIPC completion point, expected by the end of this year.

I agree that it is important to build national capacity to develop robust debt management systems to avoid unsustainable debt burdens recurring. This is why the UK has been assisting HIPC~~s~~ with technical assistance in debt management under the Mauritius Mandate. The UK has already given £400,000 to the HIPC Capacity Building Programme and has made a further commitment taking the total pledged to the programme over £1 million. *10*

A more generous HIPC package will, as you suggest, require additional financing. G8 leaders agreed at Cologne that costs of an enhanced scheme falling to the IMF should be met from the sale of 10 million ounces of IMF gold. The UK has pledged \$171 million, some two-thirds of the current total, to the enhanced HIPC Trust Fund. This Fund will help finance the World Bank's contribution to debt relief for HIPCs. We are

continuing to press other governments to make a commensurate contribution. In addition, G8 leaders called for a new public-private partnership, involving the private sector through contributions to the Millenium Trust Fund.

The UK is also committed to increasing overseas development assistance. This is reflected in our commitment to increase development assistance by 28% over the next three years. We were therefore particularly pleased that the G8 Communique made particular mention of the development partnership. It committed the developed countries to strive to increase the volume of official development assistance and increase the share of grant-based financing in the ODA provided to least developed countries. I am pleased that we have been able to help the Republic of Mauritania through the European Commission assistance programme, ~~our indicative share of which is ECU 10 million.~~

I am pleased that Mauritania plans to open an Embassy in London, and look forward to continued close co-operation between our two countries.

Tony Blair

file - told FCO to issue

PAB

S/I

31 December 1997



Foreign &
Commonwealth
Office

London SW1A 2AH

Top - PB
cc Jen

Dear Philip,

Mauritania

The President of Mauritania, Mr Maaouya Ould Sidi Ahmed Taya, has been re-elected for a further six-year term.

Britain has friendly, but insubstantial, relations with Mauritania, one of the poorest of North African countries. We do not have an Embassy in Mauritania. The Mauritanian Ambassador in Paris is accredited to London. Our relations are based around defence links. A Royal Naval ship visited the capital, Nouakchott, this year and in 1998 another will call at Nouadhibou.

If the Prime Minister is content, we recommend we send the following message to the President on the Prime Minister's behalf:

"I send you my congratulations on the occasion of your re-election as President of Mauritania, and I much look forward to strengthening further the already warm existing relationship between Great Britain and Mauritania".

Yours truly,
Dominick

(Dominick Chilcott)
Private Secretary

Philip Barton Esq OBE
10 Downing Street

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