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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

22 February 1989

**PARIS ECONOMIC SUMMIT:
MITTERRAND INITIATIVE ON MONEY
LAUNDERING AND DRUGS**

Thank you for sending me a translation of President Mitterrand's letter to the Prime Minister on this subject. The Prime Minister has asked whether we have yet signed an agreement with the French about the proceeds of drug trafficking; and if not, whether the reason is their refusal. I should be grateful if you could let me know what the position is.

(C. D. POWELL)

Richard Gozney, Esq.,
Foreign and Commonwealth Office.

to



Foreign and Commonwealth Office

London SW1A 2AH

copy
(2)

Have we not signed an agreement with them about the proceeds of drug trafficking. Prime Minister if not - is it because they have refused it

21 February 1989

Prime Minister
08/2/89

Paris Economic Summit: Mitterrand Initiative on Money Laundering and Drugs

/ You asked for a translation, which I enclose, of President Mitterrand's letter to the Prime Minister of 8 February.

Yours sincerely
Nigel Hammond

(N Hammond)
Assistant Private Secretary

C D Powell Esq
10 Downing Street

STS 119/89

PARIS, 8 February 1989

Dear Prime Minister,

In preparation for the next summit meeting of the Seven, I would like to initiate discussions on the development of international financial transactions.

Although such activities are an essential component of international trade and economic development, the lack of transparency and supervision of certain international financial transactions leads to numerous abuses and makes it possible to conceal unlawful financial transactions and to "launder" proceeds from drug trafficking.

This is why I consider it desirable for our Governments, with the assistance of the International Monetary Fund in its sphere of competence, to study these problems and their possible solutions together.

[Complimentary close]

[signed]
François Mitterrand

Mrs Margaret THATCHER
Prime Minister of the United Kingdom
of Great Britain and
Northern Ireland