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Qatar



UNITED KINGDOM TREASURY AND SUPPLY DELEGATION

BRITISH EMBASSY

WASHINGTON, D. C. 20008

T.P. Lankester Esq
Private Secretary
10 Downing Street
London SW1

Handwritten initials and signatures

May 8, 1981

Dear Tim,

QATAR--NORTH WEST DOME GAS FIELD

Handwritten initials and numbers

Thank you for your letter of May 1 about the Prime Minister's visit to Qatar and the role that BP might play in the development of the North West Dome gas field.

Following an enquiry from HM Ambassador in Qatar, we made enquiries of the World Bank staff about this last month and passed the information we obtained to the Ambassador and to the relevant Departments in London. We have now made some further enquiries and the staff have told us their understanding of the present position.

It appears that the idea of developing this field has been around since 1974; that a decision was taken at a very high level in Qatar in 1978/79 to go ahead with studies; and that studies were carried out by Shell International. These showed that the field was one of the six largest in the world, with reserves estimated at 2/300 billion cubic feet of gas.

The Qatar Government subsequently asked the World Bank to help them assess what should be done with the gas and, following a visit by a Bank mission to Qatar earlier this year for discussions, the Bank offered to carry out an evaluation. This would have researched the optimum way of using the gas, either as straight energy, or for conversion to ethylene or to other derivatives. It is now proposed, however, that the Bank's involvement should be restricted to an evaluation of the studies which have already been undertaken. The Bank staff have hinted to us that the reason for this is that the Qataris have already made up their minds how to proceed, and that the Bank was surprised at the speed with which the Qataris have come to a decision.

As a result of our contacts with them, the Bank will already be aware of HMG's interest in the development of this field. It would appear however that the Bank's role will be a very limited one and that decisions on how to proceed will be kept firmly in the hands of the Qataris. Our commercial interest in this project will therefore need to be pursued in Qatar, and I assume that HM Ambassador and BP will continue to pursue the matter through their contacts there so as to ensure that we have a full opportunity to bid for any contracts which are available.

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I am copying this letter to HM Ambassador in Qatar, and to Francis Richards (Foreign & Commonwealth Office), Julian West (Department of Energy) and Christopher Benjamin (Department of Trade).

Yours ever,

John Anson

John Anson

cc: C.T. Brant Esq., CVO, HM Ambassador, Qatar
F.N. Richards Esq. (FCO)
J. West Esq (D of E)
C.B. Benjamin Esq (DoT)

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