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30 Nov '98 10:47 P.01

Patrick Young



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30 NOV 1998  
27 November 1998

SECRETARIAT

Patricia Mackenzie  
- 10/15/98

*Dear Dick*

**HIGHLANDS AND ISLANDS OBJECTIVE 1 PROGRAMME**

**PROJECT NO: BD/98/001 - Cairngorm Furniture -**

As you will be aware, the present Objective 1 programme for the Highlands and Islands will close at the end of 1999. In order to ensure that we commit to the programme the maximum resources available, we have been reviewing outstanding projects where resources may need to be re-allocated. Provided unneeded resources are given up before the end of 1999, they can be reinvested in the existing programme; resources given up after the end of 1999 will be simply lost. But in order to allow the Partnership to reallocate unneeded resources sensibly, the programme executive needs to know as early as possible where those resources are likely to arise.

The project(s) noted above have been approved subject to conditions but, as far as we and the programme executive are aware, the conditions have yet to be fulfilled. I should be grateful if you would let me have a note of the circumstances, together with the details of when you expect to resolve the conditions and when you expect the project to proceed.

I appreciate that giving up grant assistance is never a welcome prospect. I have to say however that, for the good of the programme and for the benefit of the Highlands & Islands as a whole, unless you can provide evidence that the outstanding conditions can be resolved shortly and that the project will proceed, we will take steps leading to a withdrawal of the offer of assistance.

I should be grateful for your comments. In particular, it would be helpful to have those comments within seven days of the date of issue of this letter.

Yours sincerely

*David Chalmer*

AP MRS DOREEN MELLON