

PREM19

122

SOUTH AFRICA

(Plessey Radar contract -
possible breach of UN
arms embargo)

MT

Confidential Filing

The Plessey Contract

SOUTH AFRICA

August 1979

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
7.8.79							
17.8.79							
22.8.79							
3.9.79							
10-9-79							

PREM 19/122



South Africa² VAB
cc720

10 DOWNING STREET

THE PRIME MINISTER

10 September 1979

Dear Mr Hughes,

Thank you for your letter of 3 September about Plessey Limited and South Africa.

The Foreign and Commonwealth Secretary replied to the letter from Mr. Abdul Minty on 3 September. I enclose a copy for convenience. I think this covers the points in your letter to me.

I confirm that the Government fully accepts its responsibility to implement the United Nations arms embargo.

Yours sincerely
Margaret Thatcher

Robert Hughes, Esq., MP.

JS



Foreign and Commonwealth Office

London SW1A 2AH

3 September 1979

Jean D. N. N. N.

Thank you for your letter of 29 July. I am also taking account of the points in Mr Terry's letter to Sir Ian Gilmour of 2 August about Plessey Limited.

The radar air surveillance equipment in question was first licenced by the previous Government before the UN mandatory arms embargo was imposed in November 1977. We understand that the equipment is to be used in the South African combined civil and military air control system. Integration of the operation of national air traffic control systems is standard practice in most countries. The licence was later reviewed following the imposition of the embargo in November 1977, when the previous Government were satisfied that the export of the equipment in question was not a breach of the UK's international obligations under the UN arms embargo. We have carefully looked into the matter and see no reason to take a different decision.

In a contract of this nature it is normal to include provision for training and customer supervision of the contract. We understand that the majority of the South African personnel who have been in this country under the terms of the contract are civilians, although three of them were members of the South African Defence Force under the leadership of a civilian technical expert. All three have since left the country. The only personnel now here are civilians. Though I do not regard the presence of the SADF personnel as having constituted a breach of the Government's policy of non-collaboration with the South African Government on military matters (since they were here as part of a private arrangement directly between the Company and their customer), to remove any

/possible



-2-

possible misunderstanding we have advised the Company that it would be preferable if in future SADF personnel did not come to this country in connection with the contract. I understand that no more SADF personnel will in fact come to Britain.

Sincerely
J. Carrington
/

(CARRINGTON)

Mr Abdul A Minty

South Africa

Foreign and Commonwealth Office

London SW1A 2AH

7 September 1979

*Dear Michael,**H. Minty 7/9*Plessey Contract and South Africa

Thank you for your letter of 3 September enclosing a letter from Mr Robert Hughes MP about the Plessey Contract.

The Foreign and Commonwealth Secretary suggests that the Prime Minister might reply as in the draft which I enclose.

Mr Abdul Minty of the Anti-Apartheid Movement has recently publicised Lord Carrington's reply to the letter mentioned by Mr Hughes. Mr Hughes has complained about the delay in replying. The research into the 1977 papers, consultations with Plessey and discussions with the South African Embassy took longer than we had expected; and we then held up the despatch of the replies to Mr Minty for a little longer so that they should not arrive immediately before Plessey's Annual General Meeting, in case the material in them was used to make further difficulties at the meeting. I do not think we need give Mr Hughes an explanation of the delay, given that Mr Minty's letter raised issues which clearly needed careful consideration, and that it has been used to mount a public campaign.

yours ever
Roderic Lyne

R M J Lyne

M O'D B Alexander Esq
10 Downing Street

Registry
No.

DRAFT letter

Type 1+

SECURITY CLASSIFICATION

Top Secret,
Secret.
Confidential.
Restricted.
Unclassified.To:- Robert Hughes Esq MP
Chairman
Anti-Apartheid Movement
89 Charlotte Street
London W1P 2DQ

From

Prime Minister

Telephone No. Ext.

Department

PRIVACY MARKING

..... In Confidence

Thank you for your letter of 3 September about Plessey Limited and South Africa.

The Foreign and Commonwealth Secretary replied to the letter from Mr Abdul Minty on 3 September. I enclose a copy for convenience. I think this covers the points in your letter to me.

I confirm that the Government fully accepts its responsibility to implement the United Nations arms embargo.



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-7 SEP 1979



Foreign and Commonwealth Office

London SW1A 2AH

p/w.

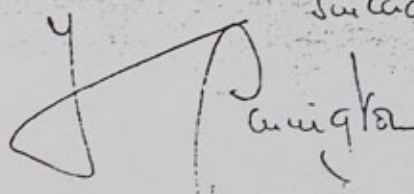
Dear Mr. Minty

Thank you for your recent letter which was delivered to me in Lusaka on 7 August regarding the contract which Plessey have with the South African Government. I have also been asked to reply to your letter of 16 August to the Prime Minister.

I have already written to you on the main points regarding the Plessey contract which you raised in your earlier letters to me and to Sir I Gilmour in your capacity as Honorary Secretary of the Anti-Apartheid Movement. I shall therefore restrict myself in this letter to the two additional points which you have raised regarding the supply of an American computer and the underground radar surveillance complex at Devon in eastern Transvaal.

On the first point, this is a matter between the United States Government, the American computer company concerned and Plessey Limited.

We understand that the equipment supplied by Plessey does not form part of the Devon complex to which you refer.

Sincerely

(CARRINGTON)

Mr Abdul S Minty



10 DOWNING STREET

Prime Minister.

The attached letter has been approved by the Foreign & Commonwealth Secretary.

Mr Penty has published the letter that he received from Lord Carrington after Mr Hughes had written to you. A good deal of research & consultation with the S. Africans was necessitated by Mr Penty's letter & there was no undue delay. Neither explanation or apology seems necessary.

C. F. C. O.

Am. 7/9

S. Africa

tmw

BF 19/9/79

3 September 1979

Plessey Contract

I enclose a copy of a letter to the Prime Minister from Robert Hughes M.P. about Plessey Ltd.

I should be grateful for a draft reply which the Prime Minister might send to Mr. Hughes. It would be helpful if this could reach this office by 10 September.

MO' DBA

R.M.J. Lyne, Esq.,
Foreign and Commonwealth Office.

S. Khan

3 September 1979

I am writing to thank you for your letter of 3 September to the Prime Minister about Plessey Ltd.

Your letter is being given consideration and a reply will be sent to you as soon as possible.

MO'DBA

Robert Hughes, Esq., M.P.

Robert Hughes



President
Rt Revd Ambrose Reeves

Vice-Presidents
Rt Revd Trevor Huddleston CR
Jack Jones CH
Joan Lester MP
Rt Hon Jeremy Thorpe

Sponsors
Lord Brockway
Ray Buckton
Basil Davidson
Thomas Hodgkin
Rt Hon David Steel MP
Pauline Webb

Anti-Apartheid Movement

89 Charlotte Street London W1P 2DQ Tel 01-580 5311

Rt Hon Mrs Margaret Thatcher MP,

Prime Minister,
10, Downing Street,
London SW1

Prime Minister (2)
(advice sought from
F.O.)
Ans 3/9

3rd September 1979

Dear Mrs Thatcher,

It is now five weeks since the Anti-Apartheid Movement wrote to the Foreign Secretary informing the Government that a number of South African Defence Personnel were believed to be training with Plessey Ltd in the United Kingdom.

We welcomed your assurance in Lusaka that you would look again at the documents relating to the Plessey contracts with South Africa in order to review those arrangements. This undertaking came after representations to the British delegation in Lusaka by Mr Abdul Minty in his capacity as Director of the World Campaign against Military and Nuclear Collaboration with South Africa following confirmation by the Foreign Office in London that Plessey Ltd had been granted a series of export licences for radar equipment destined for South Africa.

Despite both your undertakings and promises by the Foreign Office that the matter would be investigated urgently the Government has failed even to comment about the presence of South African Defence Personnel in the United Kingdom. There has also been no response to our proposal that the Export Licences should be "frozen" until a full investigation had been carried out.

I am sure that I do not need to emphasize the Government's responsibility to implement the United Nations mandatory arms embargo against South Africa.

I am rapidly coming to the conclusion that your silence reflects a serious lack of determination to ensure its effective implementation. I look forward to an early reply.

Yours sincerely,

Robert Hughes MP
Chairman

Anti-Apartheid Movement



SEP 1979

To the Secretary
Anti-Apartheid Movement
1, Wellington House
12, Bedford Way
London WC1E 6HX

I am writing to you in connection with the recent report of the Commission of Enquiry into the activities of the South African Government in the United Kingdom. I am particularly concerned by the findings of the Commission regarding the activities of the South African Government in the United Kingdom, and the role of the South African Government in the United Kingdom. I am particularly concerned by the findings of the Commission regarding the activities of the South African Government in the United Kingdom, and the role of the South African Government in the United Kingdom.

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Yours faithfully,

[Signature]

Name
Address

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South Africa

10 DOWNING STREET

From the Private Secretary

22 August 1979

South Africa: Plessey Contract

As I told you on the telephone, the Prime Minister agreed with the Foreign and Commonwealth Secretary's recommendations, which you conveyed in your letter of 14 August to me, concerning the Government's approach to the contract between Plesseys and the South African Government for the supply of radar equipment.

Specifically, the Prime Minister agrees that the licence for this contract should stand. The Prime Minister has noted the suggestion, in the sixth paragraph of your letter, that the position might need to be looked at again if the UK is faced with the threat of serious economic retaliation: the Prime Minister takes the view, however, that once the Government has taken its decision, we must stick to it.

The Prime Minister is content with the public line which Lord Carrington recommends the Government should take on the contract, and with the draft reply to Mr. Minty which was enclosed with your letter.

I am sending copies of this letter to Martin Hall (H.M. Treasury), Roger Facer (Ministry of Defence), Tom Harris (Department of Trade), Andrew Duguid (Department of Industry) and Martin Vile (Cabinet Office).

BCC

J.S. Wall, Esq.,
Foreign and Commonwealth Office.

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S Africa



MINISTRY OF DEFENCE
MAIN BUILDING WHITEHALL LONDON SW1
Telephone 01-~~230 0832~~ 218 2111/3

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MO 26/9/21

17th August 1979

WSPM
GSM
20/8/79

Dear Bryan,

SOUTH AFRICA: PLESSEY CONTRACT

I received a copy of Stephen Wall's letter on this subject of 14th August.

Mr Pym has seen this letter and very much agrees with Lord Carrington's recommendations. He, too, attaches importance to the key points identified in the letter including, in particular, the dual-purpose nature of the equipment, the decision by the previous administration to allow the contract to stand following the United Nations' mandatory arms embargo and the repercussions on our reputation as a reliable supplier to other customers for defence equipment, if the contract were cancelled. Although the withdrawal of South African military personnel from this country, and a ban on future visits will no doubt cause difficulties for Plessey and the South Africans, Mr Pym agrees that this further action should be taken.

I am sending copies of this letter to Stephen Wall (Foreign and Commonwealth Office), Martin Hall (HM Treasury), Tom Harris (Department of Trade) and Andrew Duguid (Department of Industry). A copy also goes to Martin Vile (Cabinet Office).

Yours sincerely
D B Omand

(D B OMAND)

B G Cartledge Esq.,
10 Downing Street

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MINISTRY OF DEFENCE
CAMP BELLINGHAM, BUCKINGHAM PALACE ROAD
LONDON, W8 5AE



SECRET

Reference is made to the letter from the Ministry of Defence dated 14 July 1979, in which it was stated that the Ministry of Defence was unable to provide the information requested in your letter of 10 July 1979. The Ministry of Defence is sorry that it is unable to provide the information requested in your letter of 10 July 1979. The Ministry of Defence is sorry that it is unable to provide the information requested in your letter of 10 July 1979.

20 AUG 1979



On the above copy of this letter to the Ministry of Defence, the Ministry of Defence is sorry that it is unable to provide the information requested in your letter of 10 July 1979. The Ministry of Defence is sorry that it is unable to provide the information requested in your letter of 10 July 1979.

(1/2)

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Foreign and Commonwealth Office

London SW1A 2AH

14 August 1979

Prime Minister

Dear Bryan,

Do you agree with Lord Carrington's recommendations and with the proposed public line? *yes*

I agree that the licence should stand. But we must stick to that decision.

SOUTH AFRICA: PLESSEY CONTRACT

The Prime Minister was questioned at her news conference in Lusaka on 7 August about the Anti-Apartheid Movement's allegations that the sale by Plessey Ltd of radar equipment to South Africa and the training in this country by the company of South African Defence Force personnel involve a breach of the UN Arms Embargo. The Prime Minister promised to look into the whole affair on her return to this country.

The Foreign and Commonwealth Secretary has now carefully considered the background to the issue of the licence to Plessey Ltd by the Labour Government in 1976, the probable purposes to which the equipment is to be put and the political and economic consequences of withdrawal of the export licence. I enclose a background note which describes the history, the nature of the equipment and some of the economic aspects of the contract.

In Lord Carrington's view the key to the problem lies in the decision of the previous government when reviewing their policy on arms sales to South Africa in the light of the UN Embargo that dual-purpose equipment, which had a civil and military application, should continue to be licensed, notwithstanding the embargo, unless it was intended solely for a military purpose. The previous government satisfied themselves that the Plessey equipment met this criterion. The evidence available now suggests the the Plessey contract is likely to attract criticism and controversy because there is little doubt that the South Africans are buying the sophisticated Plessey AR3D system because of its military capability. At the same time the equipment will in peace time be integrated into the South African national air traffic system for the control of both civil and military aircraft. Nearly all national air traffic control systems have a dual role and are operated jointly by civil and military controllers to identify, regulate and ensure the separation of civil and military traffic. In this sense the equipment can be said to be genuinely dual purpose.

/The mandatory

B G Cartledge Esq
No 10 Downing Street



The mandatory provision of Security Council Resolution 418 prohibits the supply to South Africa of "arms and related material". It is up to individual Governments as to how they interpret this. Lord Carrington considers that there is a strong case for not adopting a more restrictive interpretation than the previous Government: in 1976 Mr Dell gave an undertaking to the Company that HMG had no intention of "preventing the export of dual-purpose radar systems".

There are other good reasons for not interfering with this contract, itself worth at least £63 million. Once we had admitted a breach of our obligations under the arms embargo other sales of dual purpose equipment and of goods of possible military application would be called in question. We would risk being pilloried internationally, as over the Bingham disclosures, for breaking a UN sanction and would gain little or no credit for revoking the licence. The economic penalties would also be heavy. ECGD would face liabilities of up to £56m and the effects on Plessey, for whom the South African contract constitutes one-third of their radar business over the next few years, would be very serious; jobs would be lost including redundancies among technical teams. The Company would then face serious cash flow problems.

The Foreign and Commonwealth Secretary regards these arguments as compelling and recommends that the licence should stand. In suggesting this he recognises that our critics will continue to snipe, not least in the UN Arms Embargo Committee. He believes that we should be prepared to ride this out. The position might, however, need to be looked at again if we are faced with a threat of serious economic retaliation because of this contract. In this connection the Prime Minister should be aware that the criticisms have been given publicity in the Nigerian press but there has so far been no reaction from the Nigerian Government.

While considering that we should allow the contract to proceed, Lord Carrington thinks it would be wise to take action to secure the early withdrawal from this country of the five serving South African Defence Force personnel among the project team here to supervise the work under the contract. Their continued presence, of which the Foreign and Commonwealth Office were unaware until the recent disclosures, could be represented as contravening our declared policy that there should be no military collaboration with the South Africans. Plessey are already looking into the possibility of carrying out the future training of military personnel (as well as civilians), to which they are committed under the contract, in South Africa rather than in this country.

/If the

*Surely
if we
take a
stand
we shall
slide to it.
over
out.*



/ If the Prime Minister approves these recommendations Lord Carrington proposes to reply on the lines of the attached drafts to the letters from the Anti-Apartheid Movement, firmly denying any breach of the embargo or of our policy of non-collaboration. The FCO News Department would at the same time be authorised to respond to further questions on similar lines. Lord Carrington believes that our objective should continue to be to play the issue in as low a key as possible.

Other interested Whitehall Departments have been consulted and agree at official level, with these recommendations. I am copying this letter to Martin Hall (HM Treasury), Roger Facer (MOD), Tom Harris (Department of Trade) and Andrew Duguid (Department of Industry). I am also sending a copy to Martin Vile at the Cabinet Office.

Yours ever,
Stephen

J S Wall

15 AUG 1979



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ANNEX

SOUTH AFRICA: PLESSEY CONTRACT

BACKGROUND

A. The History of the Contract and our Licensing System

1. In October 1974 Ministers agreed, without committing themselves to agreeing to the grant of an export licence, to a visit of a South African evaluation team to the UK to explore the possibility that Plessey might provide South Africa with an air defence/air traffic control radar system. Contract at that stage was some £12m.
2. This request came at a time when Ministers were considering the future application of the voluntary arms embargo against South Africa. In November 1974 Ministers decided that applications for dual-purpose equipment including spares, which covered mainly electronic and communications items which might be used in both civil and military roles, should continue to be allowed. The main business under this heading related to air radar for use both in defence and air traffic control.
3. The South Africans, however, still felt uncertain about the wisdom of contracting for this equipment given the possibility that a licence might be revoked, or that spares might be prevented from going to South Africa at a later date. Plessey kept its options open by renewing the export licence applications from time to time.
4. In May 1976, the then Secretary of State for Trade was approached by the Chairman of Plessey with a request for a guarantee that HMG would not prevent the export of this equipment should a contract be signed between Plessey and the South Africans. After consultation with the then Foreign and Commonwealth Secretary and Prime Minister, it was agreed that such a guarantee should be given. ("No intention of preventing the export of two transportable dual-purpose radar systems for air traffic control").

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5. The first licence was issued on 11 December 1974 for two Plessey mobile radar systems, each comprising a number of Plessey AR3D radars, data processing and handling equipment, controllers' displays and communications equipment. This was renewed on 29 January 1975 because of an increase in the value of the contract. This second licence was re-validated for a further year on 30 January 1976. However, a further increase in the value of the project to £56m led to the issue of a new licence on 28 January 1977. This was revalidated on 1 May 1978. A further application was applied on 21 November 1978 which issued on 5 December 1978 for a further year. The purchasers were the South African Armaments Board and the licences were issued for export to the South African Air Force.

6. Policy on arms sales to South Africa was reviewed in the light of action required by SCR 418 (77) in December 1977. It was agreed then that there should be no change in the licensing of the Plessey equipment, the export of which had originally been agreed during the Government's review in 1974.

7. In December 1977 Ministers collectively agreed that goods under licence control which had both a civil and military application should continue to be licensed for export to South Africa unless they were intended for solely military purposes. Such dual-purpose equipment had previously been allowed under the voluntary arms embargo. The greater part of such goods are not under export licensing control to South Africa (eg general purpose computers). Those that are have attributes which may be of value in the military field even though these attributes are not specifically military. The licensing procedures allow ad hoc decision in case of doubt. The grant of licences for controlled dual-purpose goods was considered compatible with the UN Resolution unless the items were obviously intended solely for military purposes.

8. The only other example is Marconi tropospheric scatter communications equipment worth some £8m. It is a communications

/system

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system with a civil as well as a military role. Ministers agreed in 1976 that it did not constitute arms and could be exported. The Government's policy to permit the export to South Africa of dual-purpose equipment has never been made public but the Marconi contract has been defended in replies to MPs letters on the grounds that it fell outside the embargo.

9. Group 1 part 11 of Schedule 1 of The Export of Goods Control Order 1978 lists a wide range of aircraft, arms, and related material, ammunition, military stores and appliances and paramilitary police equipment. These goods may not be exported to any destination save under the authority of a licence. In implementation of the mandatory embargo no licence will be granted for the export to South Africa of any goods listed in Group 1 in so far as they are specially designed for military or paramilitary police purposes or are for the manufacture/maintenance of such goods. Applications to export other controlled goods to South Africa are considered on their merits. Applicants are required to give full information about the precise nature of the goods, the purpose for which they are intended and the name and nature of the business of the end user.

B. The Equipment and Its Use

10. The contract is for the sale of transportable radar sensory with accompanying control equipment making up the Plessey AR3D air traffic control/air defence radar system. This is a modern, highly sophisticated system which enables the operators to determine the height of an aircraft as well as its position. This equipment has been sold to a number of other countries including Libya.

11. Amongst the equipment to be supplied by Plessey Limited are some PDP 11/34 computers designed by an American company, Digital Equipment Corporation, and assembled under licence in Eire. These computers do not require a separate UK export

/licence

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licence for South Africa: they would, however, be covered by the general licence issued to Plessey. Unlike us, the US Government prohibit the export of all goods destined for the South African Armed Forces or police. This policy goes further than their legal obligation under the United Nations Arms Embargo and was decided on as part of their strong reaction to the uprising in Soweto in 1976 and subsequent bannings etc. It is probably that the sub-contract predated this US legislation so that no export licence would have been necessary. Nor is it likely that the US manufacturers asked Plessey for end user certificates as they ^{would} now need to do. We think it unlikely that the company could, have given, or now give, these. We have consulted the American Embassy about the allegations of an indirect breach of the American embargo. They were aware of the press reports but have not received any direct representations. We warned the Embassy of the non-committal public line that we would be likely to take. They raised no objections but gave no indication of their own likely reaction. We are reluctant to pursue this matter too vigorously in case it leads the Americans to prohibit the sale of these computers under the Plessey contract. We understand, however, that if this did happen, alternatives could be found.

12. Without asking the South Africans it is impossible to say precisely where the equipment is to be deployed. The company say they cannot confirm that their system will be incorporated into Project Nassau which is a general up-dating of South Africa's existing flight control system nor that it will be linked to a new "computerised underground complex", alleged by the Anti-Apartheid Movement to be situated in Devon in the Transvaal. But MOD think it quite probable that the Plessey equipment will be linked to this control centre for military use in the event of a war. At the same time it would be linked to the normal civilian control centre staffed by both civilians and military personnel.

/C. Economic

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C. Economic Aspects of the Contract

13. 1976 the contract was worth £56m: this has now escalated to £63m and is likely to go higher. Follow up orders and spares could bring the total value of the business to about £100m over the next 4 years. The contract is covered by buyer credit supplied by ECGD under Section 2 (National Interest) Cover and there is specific cover against export licensing risk. Cover, which was only granted after Ministers had assured the Treasury that the contract would not be interefered with on political grounds falls on ECGD's arms account. This is not, however, evidence of the nature of the equipment since the contract was signed before the United Nations Arms Embargo and represents only an accounting decision.

14. Plessey have not made any deliveries though they expect to do so in about 6 months and to complete the orders within a further year to 18 months.

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Registry
No.

DRAFT LETTER

Type 1 +

SECURITY CLASSIFICATION

Top Secret,
Secret.
Confidential.
Restricted.
Unclassified.

To:-
Mr Abdul S Minty
World Campaign Against Military
and Nuclear Collaboration With
South Africa

From

Secretary of State

Telephone No. Ext.

Department

PRIVACY MARKING

..... In Confidence

Thank you for your recent letter which was delivered to me in Lusaka on 7 August regarding the contract which Plessey have with the South African Airforce.

I have already written to you on the main points regarding the Plessey contract which you raised in your earlier letters to me and to Sir I Gilmour in your capacity as Honorary Secretary of the Anti-Apartheid Movement. I shall therefore restrict myself in this letter to the two additional points which you have raised regarding the supply of an American computer and the underground radar surveillance complex at Devon in eastern Transvaal.

On the first point, this is a matter between the United States Government, the American computer company concerned and Plessey Limited.

Our information is that the complex at Devon is part of South Africa's air traffic control and air radar defence system which is totally integrated to cover both civil and military air traffic movements. It is not, therefore, designed specifically for the purposes which you claim in your letter.

Minty
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Registry
No.

DRAFT

Type 1 +

SECURITY CLASSIFICATION

Top Secret,
Secret.
Confidential.
Restricted.
Unclassified.

To:-

Mr Abdul A Minty
Hon Secretary
Anti Apartheid Movement
89 Charlotte Street
London
W1

From

Secretary of State

Telephone No. Ext.

Department

PRIVACY MARKING

..... In Confidence

Thank you for your letter of 29 July. I am also taking account of the points in Mr Terry's letter to Sir Ian Gilmour of 2 August about Plessey Limited. The radar air surveillance equipment in question was first licensed by the previous Government before the UN mandatory arms embargo was imposed in November 1977. We understand that the equipment is to be used in the South African combined civil and military air control system. Integration of the operation of national air traffic control systems is standard practice in most countries. The licence was later reviewed following the imposition of the embargo in November 1977 when the previous Government were satisfied that the export of the equipment in question was not a breach of the UK's international obligations under the UN arms embargo. We have carefully looked into the matter and see no reason to take a different decision.

In a contract of this nature it is normal to include a clause allowing for training and customer supervision of the contract. We understand from the Company that the majority of the South African personnel who have been in this country under the terms of the contract are civilians, although a few of them are members of the South African Defence Force under the leadership of a civilian technical

expert. The only personnel undergoing training on the equipment are civilians. Though I do not⁴ regard the presence of the SADF personnel as having constituted a breach of the Government's policy of non-collaboration with the South African Government on military matters (since they were here as part of a private arrangement directly between the Company and their customer) to remove any possible misunderstanding we have advised the Company that it would be preferable if in future SADF personnel did not come to this country in connexion with the contract.

PRIME MINISTER

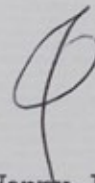
Enter *na* *S. Africa*
6/27
7/1

Abdul Minty, Director of the World Campaign against Military and Nuclear Collaboration with South Africa, held a press conference this morning and made available a letter he wrote to the Foreign and Commonwealth Secretary yesterday in which he drew attention to the presence of South African defence force personnel in the UK on a training course with Plessey Limited. It also alleges that some items of military equipment have been supplied to South Africa. All this had been set out in a letter to the Foreign Office of 29 July.

I think this is almost certain to arise at your own press conference. Since the problem is addressed to the Foreign Secretary, there is a good argument for his taking the question, but he has not yet been briefed.

In London, Foreign Office News Department is saying that the contract dates from 1976 and is for civilian air traffic control equipment. But in the light of this letter and earlier press reports, the Government will examine the situation.

The British Government is of course committed to honouring their obligations under the UN Arms Embargo. And since the abrogation of the Simonstown Naval Base Agreement in 1975 it has been British Government policy that there should be no collaboration with the South African Government in defence matters.



Henry James

7 August 1979

Prime Minister

sgw
4/8

FOLUS 016/03

ZZ LUSAKA
GRS 1084
CONFIDENTIAL

FM FCO 031130 AUGUST 79
TO FLASH LUSAKA
TELEGRAM NUMBER 642 OF 3 AUGUST
INFO IMMEDIATE PRETORIA UKMIS NEW YORK MODUK(DS13 AND DS11)
INFO PRIORITY WASHINGTON LAGOS
SAVING LUANDA AND MAPUTO

PLESSEY CONTRACT

1. AS REQUESTED (TELCON WALL/LEVER) THE FOLLOWING IS FURTHER FULL BACKGROUND.
2. IN OCTOBER 1974 MINISTERS AGREED, WITHOUT COMMITTING THEMSELVES TO AGREEING TO THE GRANT OF AN EXPORT LICENCE, TO A VISIT OF A SOUTH AFRICAN EVALUATION TEAM TO THE UK TO EXPLORE THE POSSIBILITY THAT PLESSEY MIGHT PROVIDE SOUTH AFRICA WITH AN AIR DEFENCE/AIR TRAFFIC CONTROL RADAR SYSTEM. THE VALUE OF THE CONTRACT AT THAT STAGE WAS SOME 12: IT HAS SINCE RISEN TO APPROXIMATELY 56M.
3. THIS REQUEST CAME AT A TIME WHEN MINISTERS WERE CONSIDERING THE FUTURE APPLICATION OF THE VOLUNTARY ARMS EMBARGO AGAINST SOUTH AFRICA. THAT POLICY WAS SETTLED IN ALL MAJOR RESPECTS BY MINISTERS IN NOVEMBER 1974 WHO DECIDED THAT APPLICATIONS FOR DUAL-PURPOSE EQUIPMENT INCLUDING SPARES, WHICH COVERED MAINLY ELECTRONIC AND COMMUNICATIONS ITEMS WHICH MIGHT BE USED IN BOTH CIVIL AND MILITARY ROLES, SHOULD CONTINUE TO BE ALLOWED. THE MAIN BUSINESS UNDER THIS HEADING RELATED TO AIR RADAR FOR USE BOTH IN DEFENCE AND AIR TRAFFIC CONTROL.
4. THE SOUTH AFRICANS, HOWEVER, STILL FELT UNCERTAIN ABOUT THE WISDOM OF CONTRACTING FOR THIS EQUIPMENT GIVEN THE POSSIBILITY THAT A LICENCE MIGHT BE REVOKED, OR THAT SPARES MIGHT BE PREVENTED FROM GOING TO SOUTH AFRICA AT A LATER DATE. PLESSEY KEPT ITS OPTIONS OPEN BY RENEWING THE EXPORT LICENCE APPLICATION FROM TIME TO TIME.

5. IN MAY 1976, THE THEN SECRETARY OF STATE FOR TRADE WAS APPROACHED BY THE CHAIRMAN OF PLESSEY WITH A REQUEST FOR A GUARANTEE THAT HMG WOULD NOT PREVENT THE EXPORT OF THIS EQUIPMENT SHOULD A CONTRACT BE SIGNED BETWEEN PLESSEY AND THE SOUTH AFRICANS. AFTER CONSULTATION WITH THE THEN FOREIGN AND COMMONWEALTH SECRETARY AND PRIME MINISTER, IT WAS AGREED THAT SUCH A GUARANTEE SHOULD BE GIVEN.

6. THE FIRST LICENCE WAS ISSUED ON 11 DECEMBER, 1974 FOR TWO PLESSEY MOBILE RADAR SYSTEMS, EACH COMPRISING A NUMBER OF PLESSEY AR3D RADARS, DATA PROCESSING AND HANDLING EQUIPMENT, CONTROLLERS' DISPLAYS AND COMMUNICATIONS EQUIPMENT. THIS WAS RENEWED ON 29 JANUARY 1975 BECAUSE OF AN INCREASE IN THE VALUE OF THE CONTRACT. THIS SECOND LICENCE WAS RE-VALIDATED FOR A FURTHER YEAR ON 30 JANUARY 1976. HOWEVER, A FURTHER INCREASE IN THE VALUE OF THE PROJECT TO 56 MILLION LED TO THE ISSUE OF A NEW LICENCE ON 28 JANUARY 1977. THIS WAS RE-VALIDATED ON 1 MAY 1978. A FURTHER APPLICATION WAS APPLIED ON 21 NOVEMBER 1978 WHICH ISSUED ON 5 DECEMBER 1978 FOR A FURTHER YEAR. THE PURCHASERS WERE THE SOUTH AFRICAN ARMAMENTS BOARD AND THE LICENCES WERE ISSUED FOR EXPORT TO THE SOUTH AFRICAN AIR FORCE. THE DUAL PURPOSE NATURE OF THE EQUIPMENT MUST HAVE BEEN WELL KNOWN AT ALL TIMES.

7. POLICY ON ARMS SALES TO SOUTH AFRICA WAS REVIEWED IN THE LIGHT OF ACTION REQUIRED BY SCR 418 (77) IN DECEMBER 1977. IT WAS AGREED THEN THAT THERE SHOULD BE NO CHANGE IN THE LICENSING OF THE PLESSEY EQUIPMENT, THE EXPORT OF WHICH HAD ORIGINALLY BEEN AGREED DURING THE GOVERNMENT'S REVIEW IN 1974.

8. IN DECEMBER 1977 MINISTERS COLLECTIVELY APPROVED THE RECOMMENDATION BY OFFICIALS THAT GOODS UNDER LICENCE CONTROL WHICH HAD BOTH A CIVIL AND MILITARY APPLICATION SHOULD CONTINUE TO BE LICENSED FOR EXPORT TO SOUTH AFRICA UNLESS THEY WERE INTENDED FOR SOLELY MILITARY PURPOSES. SUCH DUAL-PURPOSE EQUIPMENT HAD PREVIOUSLY BEEN ALLOWED UNDER THE VOLUNTARY ARMS EMBARGO. THE GREATER PART OF SUCH GOODS ARE NOT UNDER EXPORT LICENSING CONTROL TO SOUTH AFRICA (E G GENERAL PURPOSE COMPUTERS). THOSE THAT ARE HAVE ATTRIBUTES WHICH MAY BE OF VALUE IN THE MILITARY FIELD EVEN THOUGH THESE ATTRIBUTES ARE NOT SPECIFICALLY MILITARY. THE LICENSING PROCEDURES ALLOW AD HOC DECISIONS IN CASE OF DOUBT. THE GRANT OF LICENCES FOR CONTROLLED DUAL-PURPOSE GOODS WAS CONSIDERED COMPATIBLE WITH THE UN RESOLUTION UNLESS THE ITEMS WERE OBVIOUSLY INTENDED SOLELY FOR MILITARY PURPOSES.

9. THE ONLY OTHER EXAMPLE IS MARCONI TROPOSPHERIC SCATTER COMMUNICATIONS EQUIPMENT WORTH SOME 3 MILLION. IT IS A COMMUNICATIONS SYSTEM WITH A CIVIL AS WELL AS A MILITARY ROLE. MINISTERS AGREED IN 1976 THAT IT DID NOT CONSTITUTE ARMS AND COULD BE EXPORTED. THE GOVERNMENT'S POLICY TO PERMIT THE EXPORT TO SOUTH AFRICA OF DUAL PURPOSE EQUIPMENT HAS NEVER BEEN MADE PUBLIC BUT THE MARCONI CONTRACT HAS BEEN DEFENDED IN REPLIES TO MPS LETTERS ON THE GROUNDS THAT IT FELL OUTSIDE THE EMBARGO.

WE UNDERSTAND THAT THE EQUIPMENT IS BEING USED IN PROJECT NASSAU, WHICH IS A GENERAL UP-DATING OF SOUTH AFRICA'S EXISTING FLIGHT CONTROL SYSTEM. AT LEAST PART OF THE EQUIPMENT IS PROBABLY LOCATED AT THE COMBINED CIVIL/MILITARY AIR CONTROL CENTRE AT DEVON IN EASTERN TRANSVAAL WHICH CONTROLS AIRCRAFT, BOTH MILITARY AND CIVIL, IN THAT PART OF SOUTH AFRICA. IT WOULD OPERATE IN BOTH PEACE TIME AND DURING A WAR.

11. SEE PARAGRAPHS 2 AND 3 OF MY TEL NO 611. AS YET, WE HAVE FOUND NO RECORD, IN MOD, DOT OR FCO, THAT WE WERE EVER INFORMED BY PLESSEY THAT THEIR CONTRACT WOULD ENTAIL VISITS BY SOUTH AFRICAN CIVILIAN AND MILITARY PERSONNEL TO THE UK EITHER FOR TRAINING OR CUSTOMER REPRESENTATION IN CONNECTION WITH THE EQUIPMENT.

12. GROUP 1 PART 11 OF SCHEDULE 1 OF THE EXPORT OF GOODS CONTROL ORDER 1978 LISTS A WIDE RANGE OF AIRCRAFT, ARMS, AND RELATED MATERIAL, AMMUNITION, MILITARY STORES AND APPLIANCES AND PARAMILITARY POLICE EQUIPMENT. THESE GOODS MAY NOT BE EXPORTED TO ANY DESTINATION SAVE UNDER THE AUTHORITY OF A LICENCE. IN IMPLEMENTATION OF THE MANDATORY EMBARGO NO LICENCE WILL BE GRANTED FOR THE EXPORT TO SOUTH AFRICA OF ANY GOODS LISTED IN GROUP 1 IN SO FAR AS THEY ARE SPECIALLY DESIGNED FOR MILITARY OR PARAMILITARY POLICE PURPOSES OR ARE FOR THE MANUFACTURE/MAINTENANCE OF SUCH GOODS. APPLICATIONS TO EXPORT OTHER CONTROLLED GOODS TO SOUTH AFRICA ARE CONSIDERED ON THEIR MERITS. APPLICANTS ARE REQUIRED TO GIVE FULL INFORMATION ABOUT THE PRECISE NATURE OF THE GOODS, THE PURPOSE FOR WHICH THEY ARE INTENDED AND THE NAME AND NATURE OF THE BUSINESS OF THE END USER.

13. WE HAVE JUST SEEN YOUR TEL NO 824. ADVICE ON THE POINTS IN PARA 3 WILL BE SENT BUT IT WILL TAKE A LITTLE TIME TO ASSEMBLE ALL THE RELEVANT INFORMATION AND WILL NEED PLESSEY'S FULL COOPERATION. MEANWHILE THE DOT AND DOI POINT OUT THAT THIS CONTRACT CONSTITUTES A SIGNIFICANT PART OF PLESSEY'S RADAR BUSINESS AND THEY NATURALLY HOPE THAT ON ECONOMIC AND COMMERCIAL GROUNDS THAT THE CONTRACT CAN STAND.

14. THE TEXT OF AN ARTICLE IN TODAY'S 'DAILY TELEGRAPH' UNDER THE HEADLINE 'LABOUR IN ROW OVER RADAR FOR SOUTH AFRICA' IS IN MIFT.

CARRINGTON
NNNN

INT QSL KK

JJJJJJJJJJKFO

FOLUS 025/02

ZZ LUSAKA

GRS 600

CONFIDENTIAL

FM FCO 021403Z AUG 79

TO FLASH LUSAKA

TELEGRAM NUMBER 611 OF 2 AUG

INFO IMMEDIATE PRETORIA UKMIS NEW YORK WASHINGTON LAGOS

MODUK (FOR PS/S OF S, DS 13 AND DS11)

YOUR TELNO 817: PLESSEY CONTRACT

1. NEWS DEPARTMENT STUCK TO LINE IN PARAGRAPH 2 OF YOUR TELEGRAM UNDER REFERENCE AT 12.30 TODAY.

2. A MEMBER OF THE BOARD OF PLESSEYS SPOKE TO THE LORD PRIVY SEAL THIS MORNING. HE SAID THE CONTRACT, WHICH WAS WITH THE SOUTH AFRICAN ARMAMENTS BOARD (AND WHICH CORRESPONDS ROUGHLY TO MOD(PE), WAS CONCLUDED IN 1976. PERSONNEL FROM ARMAMENTS BOARD HAD BEEN WITH PLESSEYS SINCE DECEMBER 1976: OF THE PRESENT GROUP OF 14, 5 WERE MEMBERS OF THE SOUTH AFRICAN DEFENCE FORCES. THE LEADER OF THE GROUP WAS A DR DE LA GUERRE WHO WAS A CIVILIAN TECHNICAL EXPERT.

3. CONTRARY TO THE IMPRESSION GIVEN IN THE PRESS REPORTS, THESE PERSONNEL WERE NOT HERE FOR TRAINING. THEY WERE HERE TO SUPERVISE WORK BEING DONE UNDER THE CONTRACT AND TO PROVIDE SOFTWARE IN ORDER TO ENSURE THAT THE EQUIPMENT WAS COMPATIBLE WITH EXISTING SYSTEMS. THIS WAS PART OF THE NORMAL PROVISION FOR CUSTOMER REPRESENTATION DURING THE PERIOD OF THE CONTRACT. HE HOPED WE WOULD CORRECT THIS MISLEADING IMPRESSION, WHICH HE THOUGHT POTENTIALLY THE MOST DAMAGING. HOWEVER HE ADDED THAT THREE OF THE CIVILIANS CURRENTLY HERE WERE BEING TRAINED IN COMPUTER PROGRAMMING, AND THAT MORE CIVILIAN PERSONNEL WERE DUE TO ARRIVE IN OCTOBER FOR TRAINING ON THE SYSTEM.

4. HE ADDED THAT THE MOD HAD NOT BEEN CLOSELY INVOLVED SINCE THIS HAD BEEN PART OF A COMMERCIAL CONTRACT. THEIR MAIN CONTACT HAD BEEN WITH DOT SINCE THE LATTER HAD PROVIDED THE EXPORT LICENCE. HM AMBASSADOR IN PRETORIA HAD GIVEN A DINNER FOR PLESSEY AND THE SOUTH AFRICAN ARMAMENTS BOARD, AND HE UNDERSTOOD THAT THE CONTRACT HAD BEEN PUT TO CABINET.

5. THE ABOVE IS PLESSEY'S VERSION WHICH MOD ARE CHECKING URGENTLY. IN ADDITION YOU MAY WISH TO HAVE THE FOLLOWING BACKGROUND WHICH SUPPLEMENTS MY TELNO 598.

Prime Minister

BW
3/8

DM

6. THE SALE OF PLESSEY AR3D AIR TRAFFIC CONTROL AIR DEFENCE RADAR, WAS LICENSED BY THE PREVIOUS ADMINISTRATION BEFORE THE UN MANDATORY ARMS EMBARGO, BUT DURING THE VOLUNTARY ARMS EMBARGO. ON 24 MAY 1976, THE THEN SECRETARY OF STATE FOR TRADE CONFIRMED TO THE EXPORTER THAT HMG HAD NO INTENTION OF PREVENTING THE SUPPLY OF THIS EQUIPMENT AND ON 3 AUGUST 1976 SAID THAT IT WAS HMG'S POLICY TO PERMIT THE EXPORT OF SPARES FOR THIS DUAL-PURPOSE EQUIPMENT. POLICY ON DUAL-PURPOSE EQUIPMENT, IE GOODS FOR CIVIL USE BUT ALSO USED BY THE ARMED FORCES, IS THAT THEY SHOULD RECEIVE LICENCES FOR EXPORT UNLESS THEY ARE OBVIOUSLY INTENDED FOR SOLELY MILITARY PURPOSES. THE PLESSEY EQUIPMENT IN QUESTION WAS LICENSED TO THE EXTENT OF POUNDS STERLING 56 MILLION(ALTHOUGH THE TOTAL CONTRACT IS WORTH CONSIDERABLY MORE) ON THE BASIS THAT IT WAS INTENDED FOR USE IN PEACETIME FOR THE CONTROL OF CIVIL AIR TRAFFICE. ALTHOUGH THE LICENSES HAVE BEEN GRANTED THE BULK OF THE EQUIPMENT HAS NOT YET BEEN EXPORTED.

7. WE UNDERSTAND THAT THE EQUIPMENT IS BEING SUPPLIED FOR USE IN PROJECT MASSAU WHICH IS A GENERAL UP-DATING OF SOUTH AFRICA'S EXISTING FLIGHT CONTROL SYSTEM. THE QUOTE GUARDIAN UNQUOTE ARTICLE REFERS TO A QUOTE COMPUTERISED UNDERGROUND COMPLEX SITUATED AT DEVAN IN EASTERN TRANSVALL UNQUOTE. A COMBINED CIVIL/MILITARY AIR CONTROL CENTRE IS LOCATED AT DEVON WHICH CONTROLS AIRCRAFT BOTH MILITARY AND CIVIL, IN THE AREA. IT WOULD APPEAR THEREFORE, THAT THE PLESSEY EQUIPMENT WAS LICENSED IN ACCORDANCE WITH THE POLICY IN PARAGRAPH 6 ABOVE, AS NOT BEING INTENDED FOR SOLELY, OR EVEN PRIMARILY, MILITARY PURPOSES.

8. ACCORDING TO MOD, IT WOULD BE NORMAL IN SUCH A CONTRACT TO INCLUDE TRAINING IN THE USE OF THE EQUIPMENT. AS FAR AS WE CAN TELL, THE FCO WERE NOT INFORMED THAT SOUTH AFRICAN PERSONNEL, INCLUDING MILITARY PERSONNEL, WOULD COME TO BRITAIN. NOR WERE WE (OR THE MOD SECTION DEALING WITH THE ARMS EMBARGO) CONSULTED ABOUT A RECENT VISIT TO AN MOD ESTABLISHMENT.

9. IT WOULD APPEAR THAT THE AMERICAN COMPUTER WHICH FORMS PART OF THE PLESSEY EQUIPMENT (MY TELNO 600) WOULD NOT (NOT) REQUIRE A UK EXPORT LICENCE FOR EXPORT TO SOUTH AFRICA, HOWEVER THE AMERICANS, UNLIKE US, PROHIBIT THE EXPORT OF ALL EQUIPMENT DESTINED FOR THE SOUTH AFRICAN ARMED FORCES AND THE POLICE.

CARRINGTON

NNNN



10 DOWNING STREET

Prime Minister

PLESSEY and SOUTH AFRICA

This is already in
the local press here and
you may be troubled about
it. It would well come
up in the Southern
Africa Debate tomorrow.

Yours
2/8

A large, stylized handwritten signature, possibly 'A. D.' or similar, written in dark ink.

FOLUS 037/01

ZZ LUSAKA

GRS 300
CONFIDENTIAL
FM FCO 012019Z JUL 79
TO FLASH LUSAKA
TELNO 602 OF 1 AUGUST
INFO IMMEDIATE PRETORIA, UKMIS NEW YORK,
PRIORITY WASHINGTON, LAGOS, MODUK (DS 11, DS 13 S.SMITH).

MIPT: PLESSEY CONTRACT.

FOLLOWING IS PROPOSED LINE FOR NEWS DEPARTMENT TO USE IN
ANSWER TO ENQUIRIES.

ON THE RECORD: IT IS NOT OUR CUSTOM TO COMMENT ON INDIVIDUAL
LICENCE APPLICATIONS. HOWEVER, WE UNDERSTAND THAT THE ORIGINAL
LICENCE WAS GRANTED TO PLESSEY LTD BY THE PREVIOUS ADMINISTRATION
BEFORE THE UN MANDATORY ARMS EMBARGO FOR THE EXPORT TO SOUTH
AFRICA OF AN AIR TRAFFIC CONTROL RADAR SYSTEM WHICH WAS UNDER
-STOOD TO BE FOR THE USE IN PEACETIME FOR THE CONTROL OF CIVIL
AIR TRAFFIC. WE ARE SATISFIED THAT THE PLESSEY CONTRACT DOES NOT
CONTRAVENE OUR INTERNATIONAL OBLIGATIONS UNDER THE UN ARMS EMBARGO
OR OUR DOMESTIC LEGISLATION TO GIVE EFFECT TO THIS. SINCE THE
ABROGATION OF THE SIMONSTOWN NAVAL BASE AGREEMENT IN JUNE 1975 IT
HAS BEEN BRITISH GOVERNMENT POLICY THAT THERE SHOULD BE NO
COLLABORATION WITH THE SOUTH AFRICAN GOVERNMENT IN DEFENCE MATTERS.

IF PRESSED ON ALLEGED PRESENCE IN THIS COUNTRY OF SADF PERSONNEL:
WE UNDERSTAND, AS IS NORMAL WITH SUCH CONTRACTS, THAT THERE IS
PROVISION FOR TRAINING IN THIS COUNTRY ON THE EQUIPMENT TO BE
SUPPLIED. WE ARE LOOKING INTO THIS MATTER. IF PRESSED FURTHER: WE
UNDERSTAND THAT THE CONTROL CENTRE WHERE THE PLESSEY SYSTEM IS
INSTALLED HANDLES BOTH CIVIL AND MILITARY AIR TRAFFIC.

TO BE STRESSED UNATTRIBUTABLY.

THIS IS A PURELY COMMERCIAL CONTRACT AND THE PRESENT BRITISH
GOVERNMENT HAVE THEREFORE HAD NO OCCASION TO CONSIDER IT OR ITS
IMPLICATIONS.

CARRINGTON

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MV

FOLUS 038/01

ZZ LUSAKA

GRS 33
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UNCLASSIF

IED

FM FCO 012018Z AUG 79

TO FLASH LUSAKA

TELEGRAM NUMBER 601 OF 1 AUGUST 1979

MIPT : PLESSEY CONTRACT.

FOLLOWING IS TEXT OF OPERATIVE PARAGRAPHS OF SECURITY COUNCIL
RESOLUTION 418(77)

1. DETERMINES, HAVING REGARD TO THE POLICIES AND ACTS OF THE SOUTH AFRICAN GOVERNMENT, THAT THE ACQUISITION BY SOUTH AFRICA OF ARMS AND RELATED MATERIAL CONSTITUTES A THREAT TO THE MAINTENANCE OF INTERNATIONAL PEACE AND SECURITY:
2. DECIDES THAT ALL STATES SHALL CEASE FORTHWITH ANY PROVISION TO SOUTH AFRICA OF ARMS AND RELATED MATERIAL OF ALL TYPES, INCLUDING THE SALE OR TRANSFER OF WEAPONS AND AMMUNITION, MILITARY VEHICLES AND EQUIPMENT, PARAMILITARY POLICE EQUIPMENT, AND SPARE PARTS FOR THE AFOREMENTIONED, AND SHALL CEASE AS WELL THE PROVISION OF ALL TYPES OF EQUIPMENT AND SUPPLIES, AND GRANTS OF LICENSING ARRANGEMENTS, FOR THE MANUFACTURE OR MAINTENANCE OF THE AFOREMENTIONED:
3. CALLS ON ALL STATES TO REVIEW, HAVING REGARD TO THE OBJECTIVES OF THIS RESOLUTION, ALL EXISTING CONTRACTUAL ARRANGEMENTS WITH AND LICENCES GRANTED TO SOUTH AFRICA RELATING TO THE MANUFACTURE AND MAINTENANCE OF ARMS, AMMUNITION OF ALL TYPES AND MILITARY EQUIPMENT, WITH A VIEW TO TERMINATING THEM:
4. FURTHER DECIDES THAT ALL STATES SHALL REFRAIN FROM ANY COOPERATION WITH SOUTH AFRICA IN THE MANUFACTURE AND DEVELOPMENT OF NUCLEAR WEAPONS:
5. CALLS UPON ALL STATES, INCLUDING STATES NON-MEMBERS OF THE UNITED NATIONS, TO ACT STRICTLY IN ACCORDANCE WITH THE PROVISIONS OF THIS RESOLUTION:
6. REQUEST THE SECRETARY-GENERAL TO REPORT TO THE COUNCIL ON THE PROGRESS OF THE IMPLEMENTATION OF THIS RESOLUTION, THE FIRST REPORT TO BE SUBMITTED NOT LATER THAN 1 MAY 1978:
7. DECIDES TO KEEP THIS ITEM ON ITS AGENDA FOR FURTHER ACTION, AS APPROPRIATE, IN THE LIGHT OF DEVELOPMENTS.

CARRINGTON

NNNN

UNCLASSIFIED
 FROM F C O 012017Z AUGUST 79
 TO FLASH LUSAKA
 TELEGRAM NUMBER 600 OF 1 AUGUST.
 INFO IMMEDIATE PRETORIA, UKMIS NEW YORK, PRIORITY WASHINGTON,
 LAGOS, MOD UK DS 13 (S. SMITH), DS 11.

M I P T: PLESSEY CONTRACT.

FOLLOWING IS TEXT OF ARTICLE IN "THE GUARDIAN" OF 1 AUGUST.

PLESSEY IS BELIEVED TO BE TRAINING MEMBERS OF THE SOUTH AFRICAN DEFENCE FORCE IN THE UK. THE BRITISH ELECTRONICS AND COMMUNICATIONS FIRM IS THOUGHT TO BE TEACHING THEM THE OPERATION OF AMERICAN COMPUTER EQUIPMENT TO BE USED AT A RADAR TRACKING STATION IN THE TRANSVAAL. THE BRITISH ANTI-APARTHEID MOVEMENT, WHICH ORIGINALLY OBTAINED EVIDENCE THAT PLESSEY WAS TRAINING SOUTH AFRICAN MILITARY PERSONNEL, HAS LODGED A COMPLAINT WITH THE FOREIGN OFFICE. LABOUR M.P.'S ATTENDING THE COMMONWEALTH LEADERS CONFERENCE ARE EXPECTED TO RAISE THE MATTER WITH HEADS OF STATE IN LUSAKA. PLESSEY LAST NIGHT REFUSED TO COMMENT. THE SOUTH AFRICANS ARE BELIEVED TO BE AIR FORCE PERSONNEL BEING TRAINED ON DIGITAL EQUIPMENT CORPORATION (DEC) PDP 11/34 COMPUTERS INCORPORATED INTO A RADAR SURVEILLANCE SYSTEM PRODUCED BY PLESSEY. DEC IS AN AMERICAN MULTI-NATIONAL CORPORATION WHICH HAS A COMPUTER ASSEMBLY AND TESTING PLANT IN THE IRISH REPUBLIC. THE PDP 11/34 BELONGS TO THE CORPORATION'S BIGGEST-SELLING FAMILY OF COMPUTERS. DESCRIBED AS A "MINI-COMPUTER," THE CENTRAL PROCESSING UNIT ALONE COSTS ABOUT POUNDS STERLING 15,000. WHILE BRITAIN AND AMERICA BOTH OBSERVE THE UNITED NATIONS MANDATORY ARMS' EMBARGO AGAINST SOUTH AFRICA, THERE IS A DIFFERENCE IN APPLICATION, PARTICULARLY WHERE COMPUTERS ARE CONCERNED. WHILE BRITAIN LIMITS ITS RESTRICTIONS TO THE SALE OF WEAPONS' SYSTEMS, AMERICA BANS THE EXPORT OF ANY COMPUTERS FOR USE BY THE SOUTH AFRICAN ARMY AND POLICE. A SPOKESMAN FOR DEC SAID YESTERDAY THAT THE COMPANY "CANNOT CONTROL" THE USE PLESSEY MAKES OF ITS EQUIPMENT. HE NOTED, HOWEVER, THAT DEC ITSELF "HAS NOT CHOSEN TO HAVE A PRESENCE IN SOUTH AFRICA". THE FACT THAT SOUTH AFRICAN MILITARY PERSONNEL ARE RECEIVING TRAINING AT PLESSEY WOULD SUGGEST THE COMPANY IS SUPPLYING THE NATIONALIST GOVERNMENT WITH AN UP-DATED RADAR SYSTEM. IF, AS THE ANTI-APARTHEID MOVEMENT HAS BEEN INFORMED, THE EQUIPMENT IS TO BE USED IN THE TRANSVAAL, IT IS LIKELY TO BE INCORPORATED INTO PROJECT NASSAU, ONE OF THE COUNTRY'S KEY DEFENCE FACILITIES. IT IS A COMPUTERISED UNDERGROUND COMPLEX SITUATED AT DEVON. IN THE EASTERN TRANSVAAL, AND LINKED TO OBSERVATION STATIONS ON THE COUNTRY'S BORDERS. MODERNISED IN THE EARLY 1970S AT A COST OF SEVERAL MILLIONS OF POUNDS, THE RADAR CENTRE IS BELIEVED TO PROVIDE AIR SURVEILLANCE FACILITIES EXTENDING FAR BEYOND THE COUNTRY'S BORDERS. PLESSEY RADAR HAS ESTABLISHED ITSELF IN THE MILITARY GROUND-SYSTEM MARKET, LARGELY THROUGH THE SUCCESS OF THE AR-3D THREE DIMENSIONAL LONG-RANGE RADAR SYSTEM WHICH IS COMPLEMENTED BY GF75 GAP-FILLING SYSTEM. THE COMPANY'S RECENT CONTRACTS INCLUDE THE SALE OF RADAR EQUIPMENT TO THE IVORY COAST, GABON, CAMEROUN AND LIBYA. THE ANTI-APARTHEID MOVEMENT IN ITS LETTER OF PROTEST TO THE FOREIGN SECRETARY, LORD CARRINGTON, SAID THAT THE PRESENCE OF SOUTH AFRICAN MILITARY PERSONNEL ON A TRAINING SCHEME IN THE UK WAS "IN DIRECT CONFLICT WITH UNDERTAKINGS BY THE BRITISH GOVERNMENT THAT ALL FORMS OF MILITARY COOPERATION BETWEEN BRITAIN AND SOUTH AFRICA HAVE CEASED". "WE WOULD BE EQUALLY DISTURBED BY ANY BREACH OF THE UN MANDATORY ARMS EMBARGO AGAINST SOUTH AFRICA".

CARRINGTON

NNNN

FOLUX 036/01

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ZZ LUSAKA

GRS 135

RESTRICTED

FM FCO 012016Z AUG 79

TO FLASH LUSAKA

TELEGRAM NUMBER 599 OF 1 AUGUST

INFO IMMEDIATE PRETORIA, UKMIS NEW YORK,

PRIORITY WASHINGTON, LAGOS, MODUK DS13 (SMITH), DS11

MIPT : PLESSEY CONTRACT

FOLLOWING IS TEXT OF LETTER FROM THE SECRETARY OF THE ANTI-APARTHEID MOVEMENT :

QUOTE

THE ANTI-APARTHEID MOVEMENT HAS RECEIVED RELIABLE INFORMATION THAT A NUMBER OF SOUTH AFRICAN DEFENCE FORCE PERSONNEL ARE CURRENTLY IN THE UNITED KINGDOM ON A TRAINING COURSE WITH PLESSEY LTD., WE ALSO UNDERSTAND THAT CERTAIN ITEMS OF MILITARY EQUIPMENT ARE BEING OR HAVE BEEN SUPPLIED TO SOUTH AFRICA.

IT WOULD APPEAR THAT THIS VISIT IS IN DIRECT CONFLICT WITH UNDERTAKINGS BY THE BRITISH GOVERNMENT THAT ALL FORMS OF MILITARY CO-OPERATION BETWEEN BRITAIN AND SOUTH AFRICA HAVE CEASED. WE WOULD BE EQUALLY DISTURBED BY ANY BREACH OF THE UNITED NATIONS MANDATORY ARMS EMBARGO AGAINST SOUTH AFRICA.

I AM WRITING TO ASK YOU TO INVESTIGATE THESE REPORTS AS A MATTER OF URGENCY AND TO ESTABLISH IF SUCH A VISIT IS TAKING PLACE AND IF THERE HAS BEEN ANY BREACH OF THE ARMS EMBARGO.

UNQUOTE

CARRINGTON

NNNN



CONFIDENTIAL

FROM F.C.O. 012015Z AUG  
TO FLASH LUSAKA

TELEGRAM NUMBER 598 OF 1 AUGUST 1979

INFO IMMEDIATE PRETORIA, UKMIS NEW YORK, PRIORITY WASHINGTON,  
LAGOS, MODUK (FOR S SMITH DS 13 AND DS11)

FOR SECRETARY OF STATE FROM LPS.

PLESSEY CONTRACT AND THE ARMS EMBARGO

1. THE LETTER FROM THE ANTI-APARTHEID MOVEMENT TO THE SECRETARY OF STATE ALLEGES THAT THERE ARE SOUTH AFRICAN DEFENCE FORCE (SADF) PERSONNEL IN BRITAIN UNDER TRAINING AT PLESSEY LIMITED. THE TEXT OF THE LETTER IS IN FIRST IFT. THE ARTICLE IN TODAY'S GUARDIAN GOES INTO GREATER DETAIL AND THE TEXT IS IN MY SECOND IFT. TEXT OF OPERATIVE PARAGRAPHS OF UN ARMS EMBARGO (SCR418 IS IN THIRD IFT.
2. MOD CONFIRM THAT THERE ARE 12 MEMBERS OF THE SOUTH AFRICAN AIR FORCE TRAINING AT PLESSEY LTD IN CIVIL GUISE. THEIR PRESENCE WAS NOT KNOWN BY FCO UNTIL TODAY AND MOD SAY THAT THEY WERE ONLY AWARE OF THEIR PRESENCE WHEN PLESSEY REQUESTED PERMISSION FOR THEM TO VISIT AN MOD ESTABLISHMENT, ALTHOUGH MOD ADMIT THAT THEY PROBABLY HAD VISITED ANOTHER MOD ESTABLISHMENT WITHOUT CLEARANC BEING SOUGHT FROM MOD HEADQUARTERS.
3. THE ALLEGATIONS REGARDING THE EXPORT OF EQUIPMENT PROBABLY REFER TO THE LICENCES ORIGINALLY GRANTED BY THE PREVIOUS ADMINISTRATION AND PRIOR TO THE UN MANDATORY ARMS EMBARGO FOR THE EXPORT OF PLESSEY AR3D AIR TRAFFIC CONTROL/AIR DEFENCE RADAR, ON THE UNDERSTANDING THAT IT WAS FOR USE IN PEACETIME FOR THE CONTROL OF CIVIL AIR TRAFFIC. HOWEVER, THE EQUIPMENT IS UNDERSTOOD TO BE DESTINED FOR USE IN THE NASSAU PROJECT WHICH IS A GENERAL UP-DATING OF SOUTH AFRICA'S AIR DEFENCE/AIR CONTROL SYSTEM. POLICY HAS BEEN THAT DUAL-PURPOSE GOODS AND EQUIPMENT, IE. GOODS FOR CIVIL USE BUT ALSO USED BY THE ARMED FORCES, SHOULD CONTINUE TO RECEIVE LICENCES FOR EXPORT UNLESS THEY ARE OBVIOUSLY INTENDED FOR SOLELY MILITARY PURPOSES. THE PLESSEY EQUIPMENT CLEARLY FALLS INTO THIS CATEGORY AND IT WAS ON THIS BASIS THAT THE PREVIOUS ADMINISTRATION AGREED TO THE GRANT OF LICENCES.
4. MY FOURTH IFT CONTAINS A SUGGESTED LINE TO TAKE WITH THE PRESS. WE ARE ALREADY GETTING MANY ENQUIRIES. THE MAIN DIFFICULTY CONCERNS THE PRESENCE OF THE SADF PERSONNEL IN THIS COUNTRY. I PREFER SUGGESTED LINE TO THE ALTERNATIVE OF REFUSING TO COMMENT. GRATEFUL FOR APPROVAL OF THE LINE, PREFERABLY IN TIME FOR THE 12.30 NEWS CONFERENCE.
5. ALTHOUGH THE LICENCES WERE GRANTED IN THE PERIOD 1976-78, ONLY A SMALL PART OF THE EQUIPMENT APPEARS ACTUALLY TO HAVE BEEN EXPORTED. I RECOMMEND THAT OFFICIALS SHOULD DISCUSS WITH MOD AND, IF NECESSARY, WITH PLESSEY LTD, THE FUTURE OF THIS CONTRACT AND IN PARTICULAR THE CONTINUED PRESENCE IN THIS COUNTRY OF SOUTH AFRICAN DEFENCE FORCE PERSONNEL. THE IDEAL SOLUTION WOULD BE TO KEEP THE CONTRACT BUT TO ENSURE THAT ANY FUTURE TRAINING TAKES PLACE IN SOUTH AFRICA SO AS TO OBTAIN THE NEED FOR THE PRESENCE OF SOUTH AFRICAN DEFENCE FORCE PERSONNEL IN THIS COUNTRY. IF YOU AGREE, I WILL INSTRUCT OFFICIALS TO INITIATE DISCUSSIONS AS QUICKLY AS POSSIBLE.
6. WE COULD ASK THE HOME SECRETARY TO ORDER THE IMMEDIATE DEPORTATION OF THE SADF PERSONNEL BUT THIS COULD HAVE SERIOUS IMPLICATIONS FOR OUR RELATIONS WITH THE SOUTH AFRICANS, PARTICULARLY OVER NAMIBIA, AND FOR OUR COMMERCIAL REPUTATION. ON BALANCE THEREFORE RECOMMEND THAT WE SHOULD NOT TAKE THIS DRASTIC ACTION UNLESS YOU JUDGE IT ESSENTIAL IN THE CONTEXT OF CHGM. IF SO WE MIGHT BEST ASK THE SOUTH AFRICANS TO AGREE TO WITHDRAW THEIR PEOPLE IMMEDIATELY SO AS TO DEFUSE THE SITUATION.

CARRINGTON

END

Filmed at the National  
Archives (TNA) in London

February 2010