

TOP SECRET

Confidential Filing

Leak Investigation at the Ministry of Defence into Documents relating to the sinking of 'General Belgrano' leaked to Mr Tam Dalyell, MP and to the 'New Statesman'

SECURITY

PE 1: AUGUST 1984

The Trial of Clive Ponting
(Draft of Chomson's Report in folder attached)

PE 2: MARCH 1985

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
4.3.85							
12.3.85							
18.4.85							
10.5.85							
5.8.85							
21.10.85							

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FOREIGN AND COMMONWEALTH SECRETARY

Per Minutes:
 To note. You will recall that the majority report of the Foreign Affairs Committee was favorable to the Government's case. You need therefore not read the attached

FAC REPORT ON THE EVENTS SURROUNDING THE WEEKEND OF
1ST/2ND MAY 1982

JK

22/10

Our officials have been in touch over the drafting of the response to the third report from the Foreign Affairs Committee in the 1984/85 session on the events surrounding the weekend of 1st/2nd May 1982. I understand that you have been consulted over the draft and I am myself content with it subject to a small number of changes which I have incorporated in the attached revised text.

2. As you know, the main report of the Committee is a comprehensive and carefully argued piece of work which effectively refutes all of the main criticisms which have been directed at the Government over the sinking of the Belgrano. The Committee has some criticisms of its own but these are couched in fairly mild terms. The main charge is that the Government displayed excessive caution in its handling of information. Given the generally constructive nature of the main report, I believe that we should respond in a positive way and that our refutation of the Committee's criticisms should be in mild terms.



3. The minority report is a very different matter in terms of the quality of the analysis as well as of the conclusions drawn. While we need to touch upon it, I do not believe we should treat it too seriously by engaging in a point-by-point refutation: most of the points it makes are in any case refuted in the majority report.

4. I should be grateful, if you are content, if your officials could now arrange for the attachment to be issued in the normal way.

5. I am copying this minute and the attachment to the Prime Minister, the Attorney General, the Lord Privy Seal and the Secretary of the Cabinet.

A handwritten signature in dark ink, appearing to be "W. A.", written in a cursive style.

Ministry of Defence

21st October 1985

EVENTS SURROUNDING THE WEEKEND OF 1-2 MAY 1982

1. This paper contains the Government's observations on the Committee's Report (HC 11 of 24 July 1985). The Government acknowledges the careful work on this subject undertaken by the select committee and welcomes the conclusions in the Report that the attack on the Argentine cruiser the "General Belgrano" was authorised for legitimate military reasons and not out of political design (para 9.31); and that the desire of the Government not to reveal all the information in its possession was and is a proper one (para 9.30).

2. The Government notes the Committee's comment that, in this instance, the House remained for too long in ignorance of information which members were entitled to request, but it does not accept that Ministers displayed excessive caution. The Government continues to believe that caution must be exercised in areas where national security could be placed at risk. This has been and will remain a crucial consideration for this Government.

The Military Situation

3. The Government has consistently stated that, by 2 May, there were clear and unequivocal indications that the Task Force was under threat from a strong and co-ordinated pincer movement by the major units of the Argentine Navy, including the cruiser "General Belgrano" and the aircraft carrier "25 de Mayo". This was confirmed on 16 April 1984 by Rear Admiral Juan Jose Lombardo during an interview on the BBC Panorama programme. The Government welcomes the Committee's conclusion at para 4.11, on the basis of formal

evidence and other information which was available, that there is no factual evidence to cast doubt on official British claims that the Argentine fleet had orders to mount a co-ordinated attack on the Task Force and that it would have been unreasonable to have reached any conclusion other than that the "Belgrano" formed part of that co-ordinated attack.

4. It has been claimed that, at the time of the sinking, the Belgrano was returning to port and that the Government was aware of this. The Government welcomes the Committee's careful and thorough analysis of each element of this argument in Chapter 4 of their report. Being bound by the long standing practice of successive Governments not to comment on intelligence matters, the Government particularly welcomes the Committee's statement that it is satisfied that the public explanations given to the Committee on the nature of the threat, which the Belgrano and her escorts were perceived to have posed, accurately conform with the assessments then available (para 4.28); and that there is no evidence now that a withdrawal would have been intended to achieve anything other than a short-term tactical advantage (para 4.29(iii)).

5. The Government wholeheartedly concurs with the Committee's remarks at 4.29(iv) that the paramount obligation of the War Cabinet was to protect the Task Force and that, in the light of the information available, it would have been a dereliction of duty for it to have taken any course of action other than to authorise a change in the Rules of Engagement to permit an attack on the Belgrano. The need to do everything possible to protect the many thousands of British personnel in the Task Force was the reason for the attack on the Belgrano.

Minimum Use of Force

6. It has been argued that the decision to change the Rules of Engagement to permit the sinking of the "Belgrano" followed earlier War Cabinet decisions to pursue a military solution and abandon the avowed policy of the minimum use of force in the conflict.

Furthermore, it has been alleged that the sinking of the "Belgrano" represented a watershed in the progress of the conflict; and that if the "Belgrano" had not been sunk there would have been no Task Force losses.

7. The Government utterly refutes these suggestions. On 1 May, the Task Force came under attack for the first time from the Argentine Airforce operating from the mainland. Had our Sea Harriers failed to repulse these attacks, there is little doubt that our ships could have been seriously damaged or even sunk. On the same day, our forces located and attacked what was believed to be an Argentine submarine in a position to torpedo our ships. Since the conflict, publicity has also been given to a planned Argentine attack by Exocet-armed Super Etendard aircraft on 2 May, before the attack on the "Belgrano" took place. These Argentine actions thoroughly disprove the allegation that, if there had been "no 'Belgrano'", there would probably have been "no 'Sheffield'" or other Task Force losses. The Government was and is convinced that the prolonged air attacks on our ships, the suspected presence of an Argentine submarine, and all the information available to the Government about the movements of the surface fleet, left no doubt of the dangers to the Task Force from hostile action.

8. The Government therefore welcomes the Committee's acknowledgement at para 7.8 that inevitably, as the British Task Force sailed towards the Falklands, the emphasis in British policy was bound to

shift from diplomatic to military action, particularly since, once committed to the area, the need to protect the Task Force against Argentine attack become progressively greater; and at paras 7.16(ii) that the shift in emphasis towards overt military action by both Argentine and British Forces at the beginning of May 1982 was an inevitable consequence of the arrival of the Task Force in the Falklands area.

9. Nevertheless, as the Report concludes, the Government, wanting to avoid a purely military solution, continued the effort to find a negotiated solution. As the Prime Minister said in the House of Commons on 29 April 1982, it was the British Government's hope that a ceasefire and the withdrawal of Argentine forces could be achieved by negotiated settlement. And in his statement of 7 May 1982, the Foreign and Commonwealth Secretary underlined the Government's commitment to continue to work for a peaceful solution. Intense diplomatic activity continued, with the help of the UN Secretary-General, until 17 May, but failed in the face of Argentine intransigence.

The Peruvian Peace Proposals

10. The Government note with satisfaction the Committee's conclusion at 5.40 (iv) that:

"The British War Cabinet was not aware of the peace proposals initiated by the Peruvian Government when the order was given that the "Belgrano" could be attacked, and therefore could not have been motivated by a desire to frustrate such proposals".

and the further conclusions at 5.40 (i), (ii) and (iii) that the balance of opinion appears not to support the proposition that the Peruvian peace proposals stood a real chance of acceptance on 2 May by

the Government of Argentina, that they were not in a form acceptable to HMG on that day either and that the course of subsequent negotiations strongly suggests that at no stage did the Peruvian peace proposals represent a formula for a ceasefire agreement acceptable in identical terms to both sides.

11. The Government believes that an objective examination of the facts could not have led the Committee to any other conclusions. Nevertheless, these conclusions are especially valuable in view of the assertions in the contrary sense that have been made. At the time these assertions were made, the Government provided extensive information to Parliament, and in separate correspondence with Members of the House. Ministers and officials also gave evidence to the Committee. A key element in the information provided was the timing of telegrams to the Foreign and Commonwealth Office from our Embassies at Washington and Lima reporting on the Peruvian peace proposals. These timings are recorded in the Committee's report (5.21 and 5.27) and in the FCO's Memorandum of April 1985 (Appendix 16 to the Minutes of Evidence taken by the Committee) and with other evidence support the conclusion at 5.40(iv) quoted above.

12. The role played by Mr Wallace, then British Ambassador at Lima, in transmitting the peace proposals to London, has also been the subject of widespread comment. The Committee's Report notes that there is "no evidence to support the hypothesis that Mr Wallace was advised of the detailed Peruvian proposals until his meeting with Dr Arias Stella on the evening of 2 May, some time after the Belgrano had been attacked". Further, the Committee's Report notes that in discussing these events with Dr Arias himself (during their visit to New York in May 1984), it was clear that he did not

believe that he had communicated anything other than a general Peruvian wish to bring the parties together, when he had been in touch with Mr Wallace on Saturday 1 May 1982. This evidence and the evidence of FCO representatives all square with the direct testimony given to the Committee by Mr Wallace, the man on the spot. In the light of this, the Government hopes that any implied criticism of Mr Wallace in paragraph 5.23 will be disregarded as it is based on a second-hand account of a conversation with Dr Arias Stella. The Government confirms once more that Mr Wallace first learned of the Peruvian peace proposals when he heard on his car radio the live broadcast of President Belaunde Terry's press conference while travelling to keep an appointment at 23.30 GMT on 2 May with the Foreign Minister, the purpose of which was, as it turned out, to inform him of these proposals. His reporting telegram to London was dated 01.03 GMT on 3 May. He was not involved in the formulation of the proposals nor was he told at his meeting with Dr Arias Stella on 1 May of any new peace initiative.

The Warnings to Argentina

13. With the benefit of hindsight, the Government accepts that there was and is misunderstanding about the purpose of the exclusion zones which were created around the Falkland Islands in 1982. However, the warnings were explicit on the point that irrespective of the creation of the Maritime Exclusion Zone (MEZ), later the Total Exclusion Zone (TEZ), HMG reserved fully its position in respect of the exercise of its right of self-defence under Article 51 of the Charter. There has also been confusion about the relationship between the exclusion zones, public warnings issued by HMG during the conflict and Rules of Engagement (ROE).

14. The MEZ, which came into force on 12 April, was intended to assist in bringing to an end the illegal Argentine occupation of the Falklands by denying Argentine forces reinforcement and resupply from the mainland. It was also intended to establish local sea control prior to any possible landing. The radius of 200nm was, necessarily, arbitrary but provided a zone which our submarines could enforce with a reasonable degree of assurance. The TEZ came into force on 30 April, when the Task Force arrived in the area and thus provided capability to enforce the exclusion of aircraft as well. It followed naturally from the MEZ. Argentina was notified of the establishment of the zones through the Swiss Protecting Power. In addition, the UN Security Council was notified and the creation of the zones announced publicly to serve as a warning to third parties to avoid the area.

15. The warnings which HMG issued during the Falklands conflict were designed to make the UK's intentions clear to both Argentina and the rest of the world. The announcement of the establishment of the MEZ and TEZ were two of these warnings but they did not in any way preclude action in self-defence outside the zone. Each of the warnings issued on the occasion of the establishment of these zones contained an explicit sentence, stating that, to quote the one issued for the TEZ, "these measures (ie the establishment of the TEZ, the closing of Port Stanley Airport and the declared intention to attack aircraft on the ground in the Falkland Islands) are without prejudice to the right of the United Kingdom to take whatever measures may be needed in exercise of its right self-defence, under Article 51 of the United Nations Charter". The warning of 23 April, which was also issued as a press notice by the Ministry of Defence, contained no geographical

limitation but made it clear that there would be appropriate response to any approach by warships or military aircraft which could amount to a threat to interfere with the mission of the British Forces in the South Atlantic. In each case it was clear that these elements of the warnings envisaged "additional measures".

16. Rules of Engagement, which are classified guidelines issued to operational commanders, were at all times during the Falklands Campaign consistent with the warnings which HMG had issued.

17. During the Campaign, very careful consideration was given, at a very high level, to the content of the warnings of HMG's intentions which were issued. The Government was satisfied that it was complying with its obligations under the UN charter and that the warning of 23 April covered the changes to ROE to allow the "25 de Mayo", the "Belgrano" and other units of the Argentine Navy to be attacked outside the TEZ. The Government welcomes the Committee's confirmation of this view at 6.21(i). The Government notes the Committee's conclusion at 6.21(ii) that the establishment of exclusion zones did not contribute to Argentine understanding of British action outside them: but this has to be seen in the context that the zones were created for a legitimate military purpose which was properly explained at the time.

Provision of Information by HMG

18. Attention has been focused on inaccuracies in the statements made by the then Secretary of State for Defence, Sir John Nott, in the House of Commons on 4 and 5 May 1982; and in the White Paper "The Falklands Campaign: The Lessons" (Cmnd 8758) and in Admiral Fieldhouse's Despatch. The Government has also been criticised for not correcting the inaccuracies sooner, for instance at the time of Cmnd 8758.

19. As events unfolded in early May 1982, the Task Force came under increasing threat, and it was clearly impracticable for Ministers to devote their time to establishing the detailed circumstances surrounding individual operations which had already been overtaken by events demanding their immediate attention: their principal concerns had to be to deal with the issues at the time and to look ahead. That Sir John Nott's statements were made in good faith is accepted by the Committee. The inaccuracies in his statements came to light gradually when, as a result of the attention focussed on the sinking from late 1982 onwards, details were clarified and information made available to Ministers. The precise course of the "Belgrano" at the time of the sinking was irrelevant to the threat she posed. Ministers were not aware of the precise course until November 1982, when the information was required in order to answer a Parliamentary Question from Mr Dalyell. Similarly, it was not until March 1984, when Ministers considered the matter in detail in order to answer a letter from Mr Denzil Davies, that they were informed of the change in course of the "Belgrano" at 9am (London time).

20. So far as the date of detection of the "Belgrano" is concerned, the Government has been criticised because both the Falklands White Paper and Admiral Fieldhouse's Despatch stated that she had been detected on 2 May 1982. Admiral Fieldhouse himself queried this date during the preparation of the draft but agreed that it should be left as 2 May in order to protect operational and intelligence information. This was the date in the Despatch which he submitted to the Ministry of Defence. The Falklands White Paper was designed primarily to address the vital lessons from the campaign and the information on "Belgrano" reflected the original passage in Admiral

Fieldhouse's Despatch. The question of what the White Paper should say about events surrounding the sinking of the Belgrano was not addressed by Ministers at the time. Subsequently, Ministers maintained a cautious approach to what might be said because of the need to protect operational and intelligence information which was still regarded as sensitive. It was not until April 1984 that the Prime Minister felt able to write to Mr Denzil Davies explaining that more information could be given because "with the passage of time, those events have lost some of that original operational significance."

21. The Government welcomes the Committee's conclusion at 9.15 that it was reasonable to draw a line at some point on the provision of information which could lead to requests for further information which would be difficult to deal with on national security grounds. The Government also welcomes the Committee's conclusion at 9.31 that they do not find that the inaccuracies in information given to Parliament were either deliberate or in effect misleading as to the true state of affairs on 1st and 2nd May 1982. They note the Committee's view that Ministers and their advisers displayed excessive caution over the release of information. This must be a matter of judgement. The Government continues to believe that proper caution was exercised in areas where national security could have been placed at risk. Moreover, they believe that, in difficult cases of the kind which arose over the circumstances surrounding the sinking of the Belgrano, it is right for a responsible government to err, if at all, on the side of caution.

The Minority Report

22. Given that every facility was extended to the whole Committee

including allowing access to the document now known as the "Crown Jewels", the Government is disappointed by the reluctance of some members of the Committee to recognise that it was military necessity which led to the authorisation of changes in the Rules of Engagement on 2 May 1982 and which in turn permitted "HMS Conqueror" to attack the "Belgrano". Some of the points made in the Minority Report were addressed by the Franks Committee whose report was debated and accepted by the House of Commons in January 1983. Others are addressed in the main Report which, on the basis of the same information, draws quite different conclusions.

23. For instance, it is alleged that the reasons given by Lord Lewin for the warning of 23 April 1982 were unconvincing and that the debate in the House on 29 April 1982 was distorted because the terms of the warning had not been made explicit. The Committee's Report, however, states quite clearly that the warning served adequate notice on the Argentine junta. An earlier section of this reply has explained fully the steps taken to publicise the warning. Similarly, it is regrettable that some Members of the Committee refuse to accept the sincerity of Mr Pym's visit to the USA and the Government's search for a diplomatic solution. Negotiations with a view to a peaceful settlement of the dispute continued until, on 17 May 1982, the Argentine Government rejected the draft agreement proposed by the British Government. The main Report recognises the sincerity of the Government's approach to these negotiations. In addition, whereas the Minority Report maintains that the possibility of a link between the Peruvian Peace initiative and the sinking of the Belgrano is still an open question, the main Report concludes there is no such linkage.

24. Many of the points in the Minority Report touch on intelligence matters. Public discussion of these would still risk unacceptable damage to national security. Indeed, the prominence which has been given to intelligence matters - and the speculation this has caused - during the controversy over the sinking of the "Belgrano" is in itself a cause for concern.





SRWAGY

CF

This should be copied to MOD

6/8

10 DOWNING STREET

THE PRIME MINISTER

5 August 1985

Dear Mr. Dalyell

Thank you for your letter of 29 July.

You will recall that the Government's position on this matter was fully set out in the Debate in the House of Commons on 18 February 1985 when the House voted by 351 votes to nil that

"This House recognises that the sinking of the General Belgrano was a necessary and legitimate action in the Falklands campaign; and agrees that the protection of our Armed Forces must be the prime consideration in determining how far matters involving national security and the conduct of military operations can be disclosed."

We shall of course be responding in the normal way to the recent report of the Foreign Affairs Select Committee but I certainly do not propose to comment on the newspaper article to which you refer.

Yours sincerely
Margaret Thatcher

Tam Dalyell, Esq., M.P.

1889

K3117



HOUSE OF COMMONS
LONDON SW1A 0AA

29/7/85

Dw (MSD) PM

Dear Prime Minister,

You will certainly have had drawn to your attention the article on Page 9 of to-day's Guardian by Clive Ponting.

Could I ask you just three questions ?

1. Why did you ignore a minute on International Law on April 30th 1982 from your then Foreign Secretary and your Attorney ? Is this not a denial of Cabinet Government as we know it in Britain ?

2. Was there not an obligation on a Prime Minister at least to ask searching questions about the consequences of any order to escalate an (undeclared) war ? Was there really no discussion as to how the Argentines might respond to an attack on a major ship ? (I dealt at some length with this matter during my contribution to the Defence Debate, but no Minister has defended you either during the debate or by letter afterwards !)

3. What do you say to Ponting's statement - " But it is interesting that the Government line has changed. In her letter to the Shadow Cabinet last year Mrs Thatcher said that the "first indications " of the plan came three hours after the sinking. The latest answers now refer to " authoritative indications " being received at this time. This in terms of Whitehall drafting is almost an admission that there were earlier non-authoritative 'indication! ?

Yours sincerely
Ian Daryell

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NEWS

KILLING TRADE WITH CHILE THRIVES

BRITISH COMPANIES are continuing to sell arms which could be used for internal repression and nuclear equipment to Chile, despite the introduction of a brutal 'State of siege' nearly six months ago by dictator General Augusto Pinochet. According to British government documents, handed to the *New Statesman* earlier this week by a Ministry of Defence source, two British companies are now actively trying to win Chilean contracts, reports **DUNCAN CAMPBELL**

ONE CONTRACT is for the refurbishment of a nuclear reactor, and the other, quite separate contract is for the supply of up to 300 armed vehicles for the Chilean army. The Department of Trade and Industry, the documents show, issued an export licence last year for a demonstration model of the gun-carrying half-track vehicle, called Centaur, for Chile. The DTI admitted this week that this was issued in January 1984.

The other contract being pursued is for Fairey Engineering of Stockport, Cheshire to refurbish and reconstruct an experimental nuclear reactor at Lo Aguirre, near Santiago. The company's sales executive, Brian Lenaghan, was pursuing this contract in Santiago on Monday this week. He acknowledged he was involved in financial negotiations with the Chilean regime.

The DTI and the Ministry of Defence generally refuse to answer press or even parliamentary questions about such sales, aware that dramatically increasing repression of human rights in Chile is likely to make arms or nuclear sales controversial in Britain or Europe.

The Centaur contract is only part of a big recent effort by the Ministry of Defence's arms sales subsidiary, the Defence Sales Organisation (DSO), to sell arms to Chile. According to a recent classified summary of DSO's efforts, which we have obtained, the MOD in concert with UK manufacturers has in the last years got the Chilean military to express interest in Rapier, Swingfire, Sea Wolf, Blowpipe and Seacat missiles; Harrier, Jaguar and Hawk aircraft; Lynx helicopters; the Centaur armed vehicles; and one frigate, and five other Royal Navy ships, most of which are not in fact for sale. But most of these projects have foundered because of the recent rapid deterioration of the already battered Chilean economy.

Fairey Engineering was given



Centaur military vehicle: Pinochet wants to buy 300 for his army

official permission over six months ago to tender for the Chilean nuclear reactor 'refurbishment' contract. Fairey's attempts follow more ambitious efforts by the British nuclear construction industry — in particular the National Nuclear Corporation — to sell Chile one or more Magnox type nuclear reactors (NS 18 February 1983).

The head of the Chilean nuclear programme, Lieutenant General Herman Brady, came with his deputy

to Britain on a government-sponsored 'trade promotion visit' in September 1982. A few months later, Brady defined the purpose of the Chilean nuclear programme to be to 'achieve the technical capacity...to solve any problem related to nuclear activity in the world'. And, although described as a civil reactor, the Lo Aguirre complex is entirely under military direction. In September 1982, in return for secret Chilean military assistance to Britain during

the Falklands war, the government agreed to allow the supply of enriched uranium fuel rods to Chile for the Lo Aguirre reactor.

'State of siege'

The Centaur half-track vehicle, which with official British permission is already in Chile on demonstration to the Chilean army, is a lightly armoured gun carrier described by its makers as suitable for a wide range of internal security activity. In a brochure issued to a Chilean delegation at a recent arms show, manufacturers Laird (Anglesey) Ltd boasted that Centaur had 'outstanding potential in both fighting and support roles ... speeds up to 100 kph and a choice of weapons systems, bodies, equipment fits, cargo personnel... result in a versatility unequalled by any other current vehicle design'. Laird (Anglesey) Ltd is a subsidiary of the Laird Engineering group. A group spokesman refused to comment on whether the proposed Centaur deal would now go ahead.

Pinochet first declared the 'state of siege', which allows him unlimited powers of detention and control over public meetings or information, on 6 November 1984, and renewed it in February this year. Since the declaration, there has been a marked increase in murders of trade unionists, human rights activists and others who in the last three years had become increasingly vociferous in their opposition to the regime. ●

Research by Patrick Forbes

Top secret Belgrano report for MPs?

BRITISH INTELLIGENCE services did not pass on to the Ministry of Defence information about a vital signal recalling the Argentine cruiser, the *General Belgrano*, shortly before it was sunk, members of the House of Commons Foreign Affairs Committee have discovered.

But they have not yet been told about the top secret report on the mystery signal by Sir Brian Tovey, Director of GCHQ Cheltenham — Britain's codebreaking headquarters. The Tovey report reveals whether or not analysts succeeded in breaking the code of this vital message and reported its contents to Whitehall.

The missing signal may be the most critical document of the entire Falklands war. Copies may exist in the few departments authorised to see Cheltenham's output of 'sigint' (signals intelligence). MPs would then find that, contrary to the government's repeated allegations of

the *Belgrano's* — and Argentine Navy's — belligerent intent, there was complete evidence available to the government, before the order was given to sink it, that the *Belgrano* and the rest of the Argentine fleet were safely on a course for home.

News about the 'missing signal' has been one of Whitehall's most closely guarded secrets. During 1983 intelligence officials feared — because of parliamentary questions asked by Tam Dalyell MP — that the news had got out. A special report about the signal was then prepared by Sir Brian Tovey for the personal attention of Cabinet Secretary Sir Robert Armstrong.

Not even Defence Secretary Michael Heseltine has been shown the Tovey report, despite the enquiry he mounted last year into the circumstances of the *Belgrano* sinking. During the Falklands war, he was not a member of the 'war cabinet' and may have been held not to have the 'need to know'. The official version given by GCHQ to Heseltine states that the recall signal from Argentine naval headquarters to the *Belgrano* has never been decoded, even to this day. This would be unusual, since GCHQ's huge

computers could usually achieve a 'break' against Argentine naval codes in a matter of hours.

Members of the Foreign Affairs Committee closely questioned Ministry of Defence officials about the missing signal last month when they were shown the once top secret report, known as the 'Crown Jewels', prepared by former senior official Clive Ponting. In the covering minute attached to the now widely circulated Crown Jewels — which the MPs as well as trial lawyers and the jury have seen — Ponting wrote that an unsuccessful search had been conducted in the MoD to see if the missing signal had in fact been located, and if Britain had had information about the recall signal to the *Belgrano*. This information about the Crown Jewels was leaked last week to a literary magazine, *Granta*, which also published a number of hitherto secret details from Ponting's report. But the truth of Ponting's report must depend on whether or not he, like Michael Heseltine, was told the truth about the missing signal in the first place.

Duncan Campbell with
Patrick Forbes



10 DOWNING STREET

From the Private Secretary

18 April 1985

FALKLANDS: BELGRANO:
REQUEST FOR FURTHER MATERIAL FROM THE
SELECT COMMITTEE ON FOREIGN AFFAIRS

Thank you for your letter of 17 April conveying the Foreign Secretary's proposed response to the request from the Select Committee on Foreign Affairs to be provided with documents relating to the Peruvian peace proposals and the Belgrano.

The Prime Minister agrees with the way in which the Foreign Secretary proposes to handle this request. She also agrees that the Committee may be given the time for which members of OD(SA) were asked to attend the meeting at Chequers on 2 May 1982.

I am copying this letter to Richard Mottram (Ministry of Defence).

(Charles Powell)

Peter Ricketts Esq
Foreign and Commonwealth Office

1



Foreign and Commonwealth Office

London SW1A 2AH

17 April 1985

Prime Minister

Dear Charles,

Yes not

Agree with the way in which the Foreign Secretary proposes to handle this?

Falklands: Belgrano: Request for Further Material from the Select Committee on Foreign Affairs

COP 17/4

The Select Committee on Foreign Affairs have asked the Foreign Secretary to provide them with FCO documents relating to the Peruvian peace proposals and the Belgrano. I enclose a copy of the letter of 1 April in which the Clerk to the FAC puts this request.

Sir Geoffrey Howe does not think it would be right to provide the FAC with copies of any of the documents they request. All but one of the FCO telegrams, etc, in question form part of the "Crown Jewels". You will remember from Richard Mottram's letter of 1 March to you about the meeting with the FAC in the Ministry of Defence that it was envisaged that this would represent the sole access which the Committee would be allowed to the documents. Sir Geoffrey Howe sees no merit in going back on this firm and precise arrangement.

The Foreign Secretary is however prepared to send the Committee a brief unclassified Memorandum reiterating the timings and the essential points in telegrams from Lima and Washington on 2 May 1982, in the terms in which these have already been given in evidence to the Committee themselves, and in both Houses of Parliament. I enclose a copy of our draft.

We also believe that, subject to the Prime Minister's views, there need be no objection to giving the Committee the time - 12 noon - for which members of OD(SA) and Sir Antony Acland were asked to attend the meeting at Chequers on 2 May 1982. The time of the decision at that meeting to change the Rules of Engagement - 1 p.m. - has already been given by the Prime Minister in the enclosure to her letter of 19 September 1984 to Mr George Foulkes MP.

I am copying this letter and enclosures to Richard Mottram in the MOD.

Y ever,

(P F Ricketts)
Private Secretary

Peter Ricketts

C D Powell Esq
10 Downing Street

UNCLASSIFIED

MEMORANDUM

EVENTS OF 2 MAY 1982: TELEGRAMS FROM HM EMBASSY, LIMA AND
HM EMBASSY, WASHINGTON

I Lima

- a) At 1830 (Peruvian time) on 2 May, the Peruvian Foreign Minister called in HM Ambassador. He told him that after their conversation the previous day - at which Dr Arias Stella gave no indication to Mr Wallace that the Peruvians had formulated specific proposals, or conveyed them to either the Americans or the Argentines - President Belaunde had decided to make a further attempt to bring about the withdrawal of the Argentine troops from the Falklands. A 7-point formulation had eventually been worked out with Mr Haig. Mr Wallace told the Committee about this conversation, and his reporting of it, when he gave evidence to them on 14 November 1984. His telegram reporting it was sent at 2003 hours Peruvian time, ie 0103 hours, 3 May, GMT.
- b) As Mr Wallace also explained in detail to the Committee on 14 November, he heard on his car radio, on his way to his appointment with Dr Arias Stella, part of the broadcast of the press conference at which the Peruvian President announced at 1800 local time on 2 May that a 7-point plan had been drawn up which the Argentines were considering. His staff

/heard

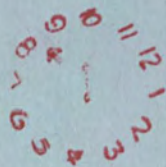
heard the entire broadcast, and the Embassy despatched the telegram reporting the press conference at 2044 local time on 2 May ie 0144 GMT on 3 May.

II Washington

- a) Mr Francis Pym had conversations with Mr Haig in Washington on 2 May 1982, in the morning (Washington time). As Mr Pym told the Committee on 11 June 1984, the subjects discussed had included 'the outline of a possible future proposal'; he added that Mr Haig had himself said on more than one occasion in the course of 2 May that these proposals needed further work and clarification. Lady Young confirmed to the Committee on 20 June 1984 the timing of the despatch of the telegram from Washington reporting the outline of the Peruvian proposals, ie 1715 Washington time (2215 GMT).
- b) At 1730 local time (2230 GMT) HM Ambassador in Washington sent a further telegram. Mr Cranley Onslow told the House of Commons on 13 May 1983 that HM Ambassador reported in this that he had reminded Mr Haig that Mr Pym had not yet consulted London about the proposals. Sir Nicholas Henderson said in his article in the Economist on 12 November 1983 that Mr Pym asked him to put it to Mr Haig that 'what had been put forward so far seemed only vague and indeterminate and provided no basis on which to do business'.

/III.

III. The Belgrano was sunk at 1900 GMT on 2 May 1982.



17 APR 1985



COMMITTEE OFFICE
HOUSE OF COMMONS
LONDON SW1A 0AA

01-219 3278 Direct Line:
01-219 3000 Switchboard

1 April 1985

FOREIGN AFFAIRS COMMITTEE

Peter Bacon, Esq.,
Parliamentary Unit,
Foreign and Commonwealth Office,
Downing Street West,
London SW1A 2AH

Dear Peter,

Events of the weekend of 1 and 2 May 1982

As you know, the Foreign Affairs Committee is approaching the end of its inquiry into the events of the weekend of 1 and 2 May 1982, and a draft Report is almost complete.

At a meeting on 20 March, the Committee discussed what further information should be sought from Ministers and others before considering the Chairman's draft Report. As a result of the decisions taken at that meeting, I have been instructed to ask the Foreign and Commonwealth Office to submit the following documents to the Committee as formal evidence:

- on any subject?*
- (i) copies of all Foreign and Commonwealth Office documents of which copies were included in the compilation of documents prepared in the Ministry of Defence and colloquially known as the 'Crown Jewels';
 - (ii) to the extent that they are not included in (i) above, copies of all messages received by the Foreign and Commonwealth Office from HM Ambassadors in Lima and Washington DC during the twenty-four hours (local time in each case) of 2 May 1982; and
 - (iii) if not included in (i) above, a copy of any memorandum, letter or minute, dated 1 May 1982, in which the then Foreign and Commonwealth Secretary 'raised the need for a further warning to the Argentine Government', as referred to in paragraph 7 of the Annex of the Prime Minister's letter of 19 September 1984 to Mr George Foulkes MP.

In addition, the Committee has instructed me to ask (iv) for what time the Permanent Under-Secretary of State, or other senior Foreign and Commonwealth Office official, was asked to attend the meeting of the Overseas and Defence Committee (South Atlantic) at Chequers on Sunday 2 May 1982.

/...

- 2 -

The Committee would prefer this material to be submitted as unclassified evidence, but if this is not possible it should be submitted on a classified basis with an explanation of the reasons.

I would be grateful if the evidence requested could reach me by Wednesday 17 April 1985.

Yours ever,

Bin

W.A. Proctor
Clerk to the Committee

File No.
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Drafted by
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SD 48
OUTWARD
TELEGRAM

Security Classification SECRET	
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[TEXT] Following
From Addison, 10 Downing Street, for Butler, Prime
Minister's Party.

CF.

PL. DS 12/4

MHA 9/4

Copies to:-

/ BEGINS

BEGINS

Michael Alison has obtained an early draft of the Foreign Affairs Committee Report on the Belgrano. The draft has been drawn up by the Advisory and Select Committee Staff, with Sir Anthony Kershaw (Chairman). I understand the draft has yet to be circulated to Committee members. It is due to be discussed after the Easter Recess, and expected to be published two weeks or so later. Opposition members are likely to conclude it is a white-wash, dissociate themselves from the draft, and probably put in their own minority report.

← in folder @ back of file .

The conclusions read as follows:

"We conclude that the desire not to reveal all the information in the possession of the Government was and is a proper one, and that the subsequent reluctance to provide the information requested by Members was the result of excessive caution rather than a deliberate or mendacious desire to mislead. In the event, it would almost certainly have been preferable if, when it became apparent that Members were concerned about the events of the weekend of 1 and 2 May, and that the questions would not go away, Ministers had volunteered a comprehensive statement on those events, including much of the material which has been extracted from them so painfully over the last three years.

As a result of the approach adopted by Ministers the House remained for too long in ignorance of information which Members were perfectly entitled to request and some of which ceased to be of operational significance soon after the end of hostilities. To that extent the House was misled about some of the details of the BENGRANO affair. It was not, we believe, the result of a deliberate "cover-up", but of excessive caution on the part of Ministers and their advisers. The House was not, however, misled on the main issue: that the attack on the BELGRANO was authorised for legitimate military reasons, and not out of political design."

Michael Alison is very concerned that the fact we have seen the draft of the Report should in no circumstances get out.

ENDS

CONFIDENTIAL

NBPM



70 WHITEHALL, LONDON SW1A 2AS

01-233 8319

From the Secretary of the Cabinet and Head of the Home Civil Service

Sir Robert Armstrong GCB CVO

Ref. A085/749

12 March 1985

Dear John,

see Pt 1 attached.

Thank you for your letter of 28 February concerning the New Statesman article of 15 February entitled "Secrets of the Ponting Trial".

In view of the probability that information on the "Crown Jewels" was leaked by someone associated with Mr Ponting's defence, during the course of the trial, I agree that we should not be justified in launching a leak enquiry.

I am copying this letter to Robin Butler, Antony Acland, Cecil Shipp, Peter Marychurch and Henry Steel.

*Yours as
Robert*

J N H Belloch Esq CB

CONFIDENTIAL

SECURITY : Ponting : Pt 2.

*With the compliments of
the Legal Secretary*

H. STEEL

*Attorney General's Chambers,
Law Officers' Department,
Royal Courts of Justice,
Strand. W.C.2A 2LL*

01 405 7641 Extn. 3291

CONFIDENTIAL



H. STEEL, CMG OBE
LEGAL SECRETARY

LAW OFFICERS' DEPARTMENT
ROYAL COURTS OF JUSTICE
LONDON, WC2A 2LL

FERB
NB307
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U/B

Sir Robert Armstrong GCB CVO
Management and Personnel Office
Cabinet Office
70 Whitehall
London SW1A 2AS

Sir Robert,

see Pt. 1 attached

I have seen John Blelloch's letter to you of 28 February about the New Statesman article entitled "Secrets of the Ponting Trial". I understand that the informed assessment is indeed that the source of the leaks from the "Crown Jewels" upon which parts of the article are based was somebody connected with Ponting's defence rather than anybody in a Government Department and I therefore agree that there would be no point in having an ordinary leak enquiry.

I add that the Attorney General had a discussion with Bernard Sheldon and me a week or so ago about the implications of all this for other proceedings where we may want to use sensitive material in reliance on the protection afforded by the relevant part of the trial taking place in camera; but no concrete conclusions emerged. In addition, Bernard Sheldon, Tony Hetherington and I have given some thought to the question whether the New Statesman article in itself provides any basis for instituting proceedings against anybody in respect of offences involved in the unauthorised disclosure of the document made available to the court in camera. The ball on that matter rests in Bernard Sheldon's court, but he has no doubt had other things to occupy him in recent days.

I am copying this letter to John Blelloch, Robin Butler, Anthony Acland, John Jones and Peter Marychurch.

*James
Steel*

H STEEL

CONFIDENTIAL

Security: Ponting, Pt 2 -

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1-6 MAR 1985



Foreign and Commonwealth Office

London SW1A 2AH

4 March 1985

CDP
5/3.

Dear Richard,

Sinking of the Belgrano: Disclosure of Information to
the Foreign Affairs Committee

The Foreign Secretary has seen your letter of 1 March to Charles Powell, and Mr Powell's reply of 4 March recording that the Prime Minister had noted the proposals in your letter. For the record, Sir Geoffrey Howe too was content with the way in which the Defence Secretary intended to proceed. 2 pp's.

I am copying this letter to Charles Powell (No 10), Hugh Taylor (Home Office), David Morris (LPS), Murdo Maclean (Chief Whip's Office), Henry Steel (Attorney General's Chambers) and Richard Hatfield (Cabinet Office).

For we

(P F Ricketts)
Private Secretary

P F Ricketts

Richard Mottram Esq
PS/Secretary of State
Ministry of Defence
Whitehall
LONDON SW1

Security: Rowing Pt 2



5 MAR 1965

SECRET



VC/46
2

10 DOWNING STREET

From the Private Secretary

4 March 1985

SINKING OF THE BELGRANO
DISCLOSURE OF INFORMATION TO
THE FOREIGN AFFAIRS COMMITTEE

Thank you for your letter of 1 March setting out the arrangements which have been agreed with the Chairman of the Foreign Affairs Select Committee on access to the "Crown Jewels".

The Prime Minister has noted these.

I am copying this letter to the Private Secretaries to the Foreign and Commonwealth Secretary, the Home Secretary, the Lord Privy Seal, the Chief Whip, the Attorney General and to Sir Robert Armstrong.

(CHARLES POWELL)

Richard Mottram, Esq.,
Ministry of Defence.

CST

SECRET

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PIECE/ITEM <i>49</i>
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