MINISTRY OF DEFENCE
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Bernie Rhinkin.

MO 3/7/4 Mr Nott says he won't pay for the MFO. The FCO haven't any money. We must wait now until we see if there is going to be a UK contribution at all. At that juncture there will have to be a meeting – unless you want me to say that you have decided the MOD should pay.

Yours Michael

10/XI

6th November 1981

SINAI MULTINATIONAL FORCE

AE7

Thank you for your letter of 2nd November which I have shown to my Secretary of State.

As you recognise it is of course perfectly true that the main conclusions of MISC 42(80)28 are not strictly relevant to the present case. That agreement related to certain well defined instances in which costs, hitherto met by the Foreign and Commonwealth Office, or in dispute, would be borne by the Ministry of Defence. The participation for policy reasons in a multinational force is already covered by established procedures. We already take part in such operations under the auspices of the United Nations, and the Sinai operation would have been one such if the Security Council could have been prevailed upon to agree. In those cases there has never been any doubt or question about the appropriate financial arrangements: the Ministry of Defence recovers full costs. Indeed paragraph 20 of MISC 42(80)28 says: ". . . a decision to contribute a particular level of military assistance to a United Nations peacekeeping force is a matter both of whether and how much: implementation is subsidiary. It therefore makes sense for the Foreign and Commonwealth Secretary to bear responsibility for meeting the costs entailed."

The Foreign and Commonwealth Office has no voted provision for this expenditure this year, but neither has my Secretary of State. The Chancellor of the Exchequer's letter of 30th October summarises the procedures to be followed. My Secretary of State agrees that it is the proper responsibility of the Foreign and Commonwealth Office to present to Parliament the decision to provide a United Kingdom contingent to the Sinai Force, to obtain approval for the necessary funds and to account for the expenditure.

M O' D B Alexander Esq

Finally, as regards the question of how much of the costs we should seek to recover, my Secretary of State has already referred, in his minute of 30th October, to the existing Treasury rule governing this point. The Prime Minister's point about extra costs to this Department is valid in relation to postings or attachments of very short duration. For longer term commitments - and there is no time limit for our commitment to the Sinai Force - we will have to provide additional manpower resources to be able to guarantee continued availability of our contribution, eg by building this requirement into our manpower assumptions, and recruiting and training numbers over and above those required to accommodate the levels envisaged in our current planning.

I am sending copies of this letter to Brian Fall (Foreign and Commonwealth Office), John Kerr (HM Treasury) and David Wright (Cabinet Office).

Yours sincerely

Jonathan Dawson.

(J D S DAWSON)