



(c) crown copyright

DOCUMENT IS THE PROPERTY OF HER BRITANNIC MAJESTY'S GOVERNMENT

C(79) 19

76
COPY NO

11 June 1979

CABINET

THE BINGHAM REPORT: A FURTHER INQUIRY

Memorandum by the Secretary of State for Foreign and
Commonwealth Affairs

1. The Bingham Report on the operations of British Petroleum (BP) and Shell in Southern Africa during the period 1965-78 indicated that one British registered BP/Shell subsidiary, that in Lourenco Marques, in addition to the companies' South African subsidiaries, was from time to time involved in the handling of oil on its way to Rhodesia; that the Head Offices of both companies knew about this and made swap arrangements, which were only temporarily effective, to take the British registered company out of the line of supply; and that the British Government of 1966-70 were aware of these swap arrangements but did not know that they had subsequently lapsed and that there was then a further period in which the British registered company was involved in direct supply to Rhodesia.
2. The Report was submitted to the Government last August; was published in September; was referred to the Director of Public Prosecutions (DPP) for further inquiries as to whether evidence existed to support criminal prosecutions; and was debated in both Houses in November. Following the debate, the then Government announced its intention to institute a further inquiry by a Joint Committee of both Houses presided over by a Lord of Appeal. The Motion to set up such an inquiry was passed by the Commons and rejected by the Lords.
3. The Government made no further statement of its intentions before the Election. But ~~the House of Commons~~^{NC} was informed on 20 ~~April~~^{March} that the Shadow Cabinet had decided not to support a further review. I believe we should now confirm that decision.
4. I do not consider there is anything useful to be gained by a further Parliamentary inquiry and a good deal to be lost. The main facts are fully set out and documented in the Bingham Report and this has been published. A further inquiry would merely rake over the embers and provide an occasion for accusation and counter-accusation which would neither reflect credit on the political system nor do us any good abroad. We would face difficult questions

over the provision of Cabinet records to the inquiry and would come under pressure to make concessions which could be a damaging precedent on other occasions.

5. Nor do I think a decision not to set up a further inquiry will do us much damage abroad. African Commonwealth Governments have been indignant about the allegations of sanctions-breaking in the Report. But their attention has throughout been focused on the subsequent legal action against the companies (President Kaunda of Zambia has again taken up the cudgels against them) rather than on a further Parliamentary inquiry which they have tended to regard as a primarily domestic affair. No doubt some will, however, criticise a decision by us not to have a further inquiry.

6. I suggest therefore that we make an early Parliamentary statement in both Houses saying we will not institute a further inquiry.

7. I have not tried to cover in this paper the outcome of the referral to the DPP of the Bingham Report. That is of course a matter for the DPP, subject to the direction of the Attorney General; and I understand that the DPP is likely soon to report to the Attorney General on whether there is sufficient prospect of evidence to support criminal prosecutions. No doubt the Attorney General will keep us informed so that there will be an adequate opportunity to bring to his attention considerations of public interest which might properly be taken into account by him in reaching a decision.

C

Foreign and Commonwealth Office

11 June 1979