



Foreign and Commonwealth Office

London SW1A 2AH

4 December 1980

Dear Michael,

Anglo-Irish Summit:Continental Shelf Delimitation

At their meeting on 21 May, the Taoiseach mentioned briefly to the Prime Minister the question of Continental Shelf delimitation (your letter of 21 May) and suggested a scheme for 'joint administration'. In my reply of 4 August I said that we had explained to the Irish why we found difficulty with the proposal. We had hoped that they would not pursue the suggestion further but at the last round of official discussions in Dublin on 1 December the Irish returned to the charge. It seems therefore possible that Mr Haughey may raise it at his forthcoming meeting with the Prime Minister.

If he does so, it would be helpful if the Prime Minister could explain that we do see real difficulty with what the Irish propose. A scheme of joint administration would need to be agreed in detail between the two governments, and with the licensee companies, and this would require much further discussion. On our side it would also require legislation. All this would cause considerable extra delay which would be particularly undesirable at a time when both governments are agreed on the need to make rapid progress. We wish to urge the Irish to study carefully the proposals, put forward by the UK in June 1980, for an interim regime; these are more modest, and in our view therefore more practicable, while at the same time protecting the essential interests of both countries.

In February 1980 we agreed in principle to the Irish proposal for ad hoc arbitration, but discussion on the modalities has since been proceeding very slowly. Five meetings have taken place: in April 1980 the UK tabled a draft Arbitration Agreement, and a further article (dealing with interim arrangements for oil exploration pending the outcome of the arbitration) in June. We expected substantive Irish reactions at the 1 December meeting, but their response was disappointing, and they have shown no readiness to tackle the substantive problems which need to be solved. If the opportunity arises therefore it would be helpful if the Prime Minister could

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point out that further delays in setting up the arbitration can only inhibit the oil exploration activity which is important for both of us. We are concerned at the slow progress being made on settling the terms of the Arbitration Agreement, and hope the Irish side will soon be in a position to respond constructively to the proposals made by the UK on the key issues.

I am sending copies of this letter to Roy Harrington (NIO), Julian West (Dept of Energy) and Bill Beckett (Law Officers' Dept).

Yours etc

Paul

(P. Lever)
Private Secretary

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