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The PUS may be interested to know of this development.
Myurg.

HMS ENDURANCE

- I have now been told on a personal basis by the Ministry of Defence (Mr Nicholls, head of DS5) that following Mr Blaker's meeting with Mr Nott to discuss HMS Endurance, Mr Nott has taken the following position:
 - a) The sale of HMS Endurance to Brazil should not be pursued. A factor in this has been the Brazilian position of support for Argentina on the Falkland Islands dispute;
 - 6) instead HMS Endurance will be offered to the British Antarctic Survey (through the DES and NERC) at effectively scrap prices;
 - c) if BAS are not interested, HMS Endurance should be moth-balled against the day when an alternative, non South American or controversial, buyer can be found.
 - The decision to reverse the sale to Brazil is of course welcome. It is extremely unlikely that BAS would wish to take on HMS Endurance stripped and civilianised given the very large running and maintenance cost. is not the sort of ship they need. I have, however, suggested to the MOD that NERC could possibly be more interested in using HMS Endurance as a distant waters oceanographical vessel (today's Times reports that NERC are at the moment issuing tenders for a £4 million replacement for RRS Shackleton).
 - Any initial approach to BAS will, in any case, have to await further MOD consideration of the accounting. aspects and the idea is therefore confidential at this stage.
 - My understanding is that MOD Ministers do not intend any change of mind on the decision to withdraw HMS Endurance from service, although its moth-balling would obviously leave that option more open.

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ľ	DESK OFFICER		REGISTRY
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29 October 1981 PS/Mr Luce

Defence Department Dr Heap

P R Fearn South America Department

CAAEL PALLISE

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