

CONFIDENTIAL

MEETING OF INFORMATION GROUP ON THE FALKLANDS

10 AM TUESDAY 25 MAY 1982

Present:

B Ingham - No 10
P Brazier - COI
N Fenn - FCO
F E Dodman - MoD
D Colvin - Cabinet Office
R Hatfield - Presentation Unit
S Fuller - Presentation Unit
H Mills - Chancellor of the
 Duchy's Office
B Mower - No 10.

Military

There were no reports of activity this morning although details of a land skirmish, possibly involving two British patrols, might come to light shortly. There were still unexploded bombs in two ships although we had no reports of any damage to the Canberra. Whether or not Argentina launched a major attack on their National Day may depend on the weather locally. The Super Etendards has not been used as far as we know since the attack on the Sheffield: they may be saving it for a major attack today or they may be short of the Exocet missiles. We had made no requests to Australia or New Zealand for military help. There was likely to be continuing questions about fire risks on our ships. Ministry of Defence had no knowledge of an inquiry into this.

There was a good chance that film would arrive with the Sheffield survivors on Thursday. MoD had decided that the survivors should be greeted by military Chiefs rather than Ministers. It was a Party matter to decide now whether there should be any Ministerial presence.

Diplomatic

The Secretary of State will recommend that we veto the Irish and Panama draft Resolutions before the Security Council and seek changes to the Japanese draft which we might possibly support. Our best hopes lay in the Irish draft as amended by the non-aligned countries which we may be able to accept with some amendments. It would strengthen our position, particularly vis-à-vis Haig if the Secretary General were in action again with a Resolution which we backed.

There was some discussion how we should play this today given the different objectives with domestic and international audiences. It was agreed that we should not go much further than to say that we would expect this kind of activity in the United Nations at present and that we cannot anticipate what will happen. In the meantime we shall proceed with our activities on the Falklands.

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The FCO will decline to disclose our voting intentions and add something along the lines that Ministers have explained on many occasions why a ceasefire alone is unacceptable to us. Meanwhile we can play up the success achieved with the extension of EC sanctions.

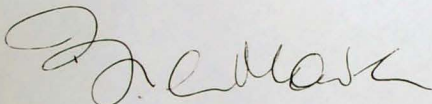
Mandate

FCO took the opportunity to brief the meeting on the Mandate discussions. A settlement was achieved for this year with a rebate of 850m ecu - just under £500m - as opposed to 800m ecu originally offered. We have kept a risk-sharing formula although not quite as good as the one we had previously. We can present this as a fair agreement and direct people towards tomorrow's debate for a full statement on the Government's position.

The Council committed itself to renegotiating a longer term agreement on the Budget by the end of November this year. On the question of the Luxembourg compromise, the Foreign Secretary left the Council in no doubt about Britain's anger with last week's proceedings. There would be further discussion about the Genscher/Colombo proposals with a view to having a special meeting on Sunday 20 June when we would hope to come to a conclusion.

Next Meeting

The next meeting of the Group will take place at 10 am on Wednesday 26 May 1982.



BRIAN MOWER
25 May 1982