

cc/c ①



Foreign and Commonwealth Office

London SW1A 2AH

21 March, 1985

Dear Charles,

Falklands Fisheries

Prime Minister  
I think these arguments  
are convincing. Can  
we please now send the  
draft letter? CDP  
2/13.

Thank you for your letter of 15 March about the draft agreement between the Coalite/Taiyo Joint Venture and the Falkland Islands Government and its implications for our efforts to establish a multilateral fisheries regime.

The Prime Minister commented that she did not see why a multilateral fisheries agreement should not allow pre-existing obligations to stand. The provisions set out in the Third Schedule to the CTC agreement come into effect only if and when an Exclusive Fisheries Zone is declared. They would not be in operation beforehand. The Foreign Secretary said in his minute to the Prime Minister of 10 January that the terms of the CTC agreement could be incompatible with negotiation of a multilateral regime. The agreement would, for example, entitle CTC to a concessionary licence to catch fish up to a maximum catch equal to 50% of the maximum annual sustainable yield. If as a result only 50% of the yield was available to be divided between all other parties to a proposed multilateral agreement, such an agreement could well prove impossible to negotiate and our wider objective might not be attained. It was in recognition of this point that the Prime Minister wrote to Mr Needham of Coalite on 11 January asking him to make amendments to the draft so as to ensure that it did not cut across possible future multilateral arrangements. The detailed amendments were communicated to Mr Needham on the same day.

Yes  
no

In his letter to us of 18 February Mr Needham has implicitly accepted that the provisions in the Third Schedule might need to be qualified if an EFZ resulted from multilateral discussions and negotiations. He asked only for an assurance of "best endeavours" to enable their implementation in such circumstances. He also asked for an assurance that in the event of a unilateral declaration of an EFZ the licence concessions as originally agreed would stand.

For the reasons set out in the fifth paragraph of my letter of 12 March we do not feel it would be prudent to give Mr Needham full satisfaction on either count. There are legal dangers in undertaking to use "best endeavours". Moreover even a unilaterally declared EFZ

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and fisheries regime would need to achieve a degree of acquiescence if it was to achieve the purpose of conserving fish stocks without prohibitively expensive enforcement measures, and possible confrontation with foreign fisheries vessels. Full implementation of the CTC agreement would certainly lead other states not to acquiesce in a unilateral measure, whereas a regime which was more even-handed could be acquiesced in by many countries.

It is for these reasons that we proposed to write to Mr Needham as in the draft enclosed with my letter of 12 March.

I am copying this letter to Henry Steel (Attorney General) and Richard Hatfield (Cabinet Office).

*Yours ever,*

*Peter Ricketts*

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