



MO 11/10/10

NOTE FOR THE RECORD

RECORD OF A MEETING BETWEEN THE DEFENCE SECRETARY  
AND THE PORTUGUESE FOREIGN MINISTER IN THE MINISTRY  
OF DEFENCE AT 1700 HOURS ON THURSDAY 22ND SEPTEMBER 1983

## Present:

The Rt Hon Michael Heseltine MP  
Secretary of State for Defence

Dr Jaime Gama  
Portuguese Minister for Foreign  
Affairs

HE Mr H Byatt  
HM Ambassador, Lisbon

HE Senhor de Freitas Cruz  
Portuguese Ambassador to London

Mr B R Hawtin  
Head of DS12

Mr N H R Evans  
APS/Secretary of State

After the initial exchange of courtesies Dr Gama asked for the Secretary of State's views on the NATO chain of command if Spain joined the integrated military structure. The Secretary of State said that Spain could make an important contribution to the defence of the Gibraltar Straits and, in principle, the UK was in favour of any changes which would increase the effectiveness of the command structure in that area. In particular we would be prepared to discuss the subordination or COMGIBMED to a senior Spanish Commander. But this could not happen while Spain continued to impose restrictions on Gibraltar. If these were lifted we would be prepared to consider command changes. Dr Gama said that the Portuguese were concerned at the effects of Spanish integration on the boundaries of IBERLANT. They could see great problems in the way of entering unified command arrangements with Spain. The Secretary of State acknowledged that there were difficulties which needed to be resolved. We could only take a firm view on the basis of recommendations from the MNCs but the UK retained an open mind on this question.

2. Dr Gama asked about progress on the Portuguese request for assistance with her frigate programme. The Secretary of State said that the British Government recognised the importance of the programme. He was glad to be able to say that we had now decided to offer a grant of £5M. This would be tied to the purchase of British equipment, for example Lynx helicopters. He understood that there had been some confusion about the cost of the Lynx. In fact a





fully equipped Lynx would cost not more than £2M and the £5M grant would represent a substantial contribution towards the cost of three helicopters, for which a grant had been requested.

3. Continuing the Secretary of State said that he was also aware that the Portuguese had considered buying Rolls Royce engines for the frigates but had been concerned that the fuel consumption of these engines was too high. They had indicated that, if they were to consider choosing British engines, a subsidy would be necessary in respect of high running costs compared with the US and German engines which were on offer. He wished to state that the Royal Navy and Rolls Royce did not accept that the British engines were less fuel efficient than their competitors. Our belief was that the difference in fuel consumption was insignificant in normal ship operating conditions. The Rolls Royce offer was still open and he hoped that the Portuguese would look at it again.

4. Dr Gama said that the frigate programme was important both for military and political reasons. Portugal wished to restore her on all power: her present capability was old fashioned. No firm decision had yet been taken and he would consider carefully the points which the Secretary of State had made. The Secretary of State wondered whether the Portuguese had considered the possibility of buying the ships themselves from Britain. So far as new frigates were concerned we could offer the Type 22, a highly capable ship which was in service with the Royal Navy. The Type 21 would also be a possibility. Alternatively we might be able to offer older frigates which were due to be paid off from Royal Navy service. Dr Gama said that it would be helpful if the Secretary of State could write to him setting out, firstly, the British proposals for assistance with the programme as it currently stood and, secondly, the alternatives which might be available. The Secretary of State agreed to do this. After a brief discussion on British training assistance to Portugal through the UKMTAS programme, which was agreed to be satisfactory, and the need for greater standardisation of armaments in NATO, the meeting ended at 1725 hours.

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Ministry of Defence

23rd September 1983

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