



*John - is a member of E.C.
by virtue of being
a British possession.
I thought it was
not met.*

A.D.C. 4/2

*cc. Sir A. Parsons
Mr. Pelling.*

PM/83/13

PRIME MINISTER

Gibraltar

1. At the OD meeting on 2 February it was agreed that I should circulate further information about the follow-up to initial negotiations with Spain as envisaged in the Lisbon agreement and the movement and settlement of Spanish workers in Gibraltar when the frontier is fully opened. Papers on both these points are attached to this minute as annexes, together with a paper on the possible effects of implementation of the Lisbon agreement on Spain's integration into the NATO military structure.

2. I intend the negotiations with Spain to concentrate, as far as possible, on practical issues which will benefit the economy of Gibraltar and which will promote closer understanding and co-operation. There are many such topics to be covered. Examples are listed in Annex A. Some are of interest to the Spaniards. Given that there are interests on both sides, it should be possible to obtain tangible benefits for Gibraltar. But some subjects will undoubtedly prove more intractable than others; discussions, while still being useful, could well go on for some considerable time.

3. As I said in my minute of 21 January, the Spaniards will wish to put forward their views on the future of Gibraltar. They are entitled to do so under the Lisbon agreement. We shall have to give them the opportunity to say that they have stated their case. But they are also fully aware that we shall restate our own commitment to respect the wishes of the Gibraltarians.



4. We cannot be certain how the Spaniards will play their hand. But there are some signs that, having stated their position, they may allow it to rest for the time being and concentrate upon improving relations with the Gibraltarians. The Spaniards have a strong interest in getting themselves off the hook of pursuing Franco's policy of coercion towards Gibraltar.

5. The most significant benefit to us of implementation of the Lisbon agreement is the full lifting of restrictions. This is due to happen on the same day that negotiations *Talks* start. It will allow the Gibraltar economy to begin to develop normally again. Not only will this help the Gibraltarians; it will reduce their call on the UK for aid.

6. The other, wider, effects of achieving an end to Spanish restrictions are outlined in paragraph 3 of my minute of 21 January. We shall be able to lift our threat to veto Spanish entry to the EC. And we shall be able to envisage changes to the NATO Command arrangements in the Mediterranean to take account of Spain's membership of the Alliance. I understand the Ministry of Defence believe these changes to be militarily desirable; if they were not made, the Spanish Government would almost certainly not be able to decide in favour of Spain's integration into NATO's military structure, though it is not certain that they will so decide if the Command arrangements are changed. I do not believe that it is in our wider interests that Spain should fail to become a member of the EC or a full member of the Alliance. The question of Spain's membership of NATO is considered further in Annex C.

What happens if they don't do it after this?



7. These considerations were in the forefront of the minds of those concerned when in January last year, after your meeting with Senor Calvo Sotelo, we jointly announced a date in April for the implementation of the Lisbon agreement.

8. When I met Senor Moran on 10 December I agreed that we should aim for implementation of the Lisbon agreement in the spring and that officials should meet first to make the necessary arrangements (this followed the exchange of letters between our Private Secretaries on 7 and 8 December). Implementation in mid-March would see the frontier opened fully in time for Gibraltar to benefit during the Easter holiday season. If we are to aim for this date, we need to start discussing arrangements very soon with the Spanish Foreign Ministry on the lines set out in paragraph 7 of my minute of 21 January. In finalising arrangements, I would of course be guided by the discussion in OD on 2 February.

9. I am sending copies of this minute to colleagues in OD and Sir R Armstrong.

(FRANCIS PYM)

Foreign and Commonwealth Office

4 February, 1983



ANNEX A

NEGOTIATIONS WITH SPAIN UNDER THE LISBON AGREEMENT

Introduction

1. This paper considers in outline how to deal with the negotiations with Spain over Gibraltar envisaged in the 1980 Lisbon agreement. It follows the approach set out in the Foreign and Commonwealth Secretary's minute to the Prime Minister of 28 May 1982 (discussed by OD on 7 June) and takes account of subsequent discussion with the Prime Minister (Mr Coles's letter to Mr Richards of 30 June 1982).

/ 2. The Lisbon agreement (copy attached) commits both sides to 'start negotiations aimed at overcoming all the differences' between them on Gibraltar. It also says that both Governments will be prepared to consider any proposals the other wishes to make 'recognising the need to develop practical co-operation on a mutually beneficial basis'.

Objectives

3. We shall insist on our commitment to the people of Gibraltar in the 1969 Constitution. We must not deceive the Spaniards on what the negotiations will produce. I have been meticulous in explaining this and it is encouraging to see that the Spanish Foreign Minister seems to have no illusions. But we must make it clear that we will listen to their views, so that they can satisfy their public opinion that they have pursued their claim over Gibraltar. We should concentrate discussions on practical ways of improving Gibraltar's economy and on promoting closer

/understanding



understanding and co-operation.

First Meeting

4. Each side should have the opportunity to make a general statement. The Spaniards will put forward their views on the future of Gibraltar. They may suggest a form of autonomy under the Spanish Crown providing for dual nationality, based on a treaty between the British and Spanish Governments and ratified with the UN.

5. Having stated their position there are indications that the Spaniards will allow the matter to rest for the time being and concentrate upon improving relations with the Gibraltarians: the Spanish Foreign Minister has publicly stated that a solution cannot be immediate and that negotiations can continue once the UK have taken note that the Spaniards have put forward the theme of sovereignty. They also need to get themselves off the hook of maintaining restrictions and pursuing a policy of coercion first adopted in Franco's time.

6. In response, we shall re-affirm HMG's commitment to honour the wishes of the people of Gibraltar and explain the key role of Gibraltar opinion. We shall explain what the current opinion is and emphasise that it is only realistic to expect that if there is to be a change in Gibraltarian view it could only come over time and in the light of experience: it is up to the Spaniards to work to improve Gibraltarian attitudes towards Spain. Gibraltarian leaders will be present (Sir J Hassan and Mr Isola) and will state their own views.



7. The meeting should then discuss other areas of mutual interest, or of interest to one side or the other. These subjects would not be dealt with in detail at the first meeting but would be put forward for later discussion between experts. They include the following (the Spaniards might have other topics to raise):

- (i) Economic Co-operation, including the development of tourism in Gibraltar and the surrounding area. This is of great potential advantage to both sides.
- (ii) Social Security and Pensions. The Gibraltar Government have obligations to former Spanish workers in Gibraltar as regards pension arrears and future entitlement. The UK side wish to reach soon a cash settlement discharging all obligations. Once Spain joins the EC, Community regulations would greatly increase Gibraltar's obligations to former workers. The Gibraltar Government would not be able to afford the large sums involved.
- (iii) Maritime and Air Communications. UK and Gibraltar companies wish to establish air and sea links between Spain and Gibraltar on most favourable terms. We wish to know what adjustments are being made to the Spanish Prohibited Air Space in accordance with the letter of 8 January 1982 which was signed at No 10.
- (iv) Spanish Official Representation. The Spaniards may be interested in re-establishing some representation. The terms of reference of any

/such

*Would Gibraltar
become part of
EEC? I thought
we said No!*



such representation would need to be specified with care.

- ? (v) Equality of Rights for Spaniards. The Spaniards will seek improvement in the status of Spanish workers in Gibraltar, who currently have the same status as any other non-EC national. This is covered further in Annex B.
- (vi) Public Services. There is room for mutually beneficial co-operation over police forces, fire services, communications, international long-distance transport etc.
- (vii) Mole in Gibraltar Waters. We need to pursue our initial representations.

8. Arrangements for pursuing negotiations and a (brief) communique would be agreed. We should avoid committing ourselves to a firm timetable. Expert groups could meet at any time. A further Ministerial meeting to review progress, and carry on the dialogue on political issues, could be planned for later in the year or, preferably, left for decision when Foreign Ministers meet on a later occasion in, e.g., the margins of an EC, UN or NATO meeting.

Subsequent Meetings

9. Continue discussions on all topics at appropriate level. This will inevitably take some time. Some subjects will prove more intractable than others. Gibraltarian officials to be present. Meetings alternately in Madrid and

/London



London.

10. Political aspects of discussion would be handled at Ministerial level, with Gibraltar leaders present. We should be prepared:

- (a) at an early stage, to affirm that HMG will not stand in the way of Spanish contacts with Gibraltarians.
- (b) Later, and very much depending on course of the discussions, to indicate preparedness formally to consult Gibraltarians about their views (e.g. a referendum, as in 1967) at a time to be agreed.

11. As Spain's policy towards NATO becomes clearer, it will be increasingly in the interests of both sides to discuss defence matters, e.g. bilateral co-operation (exercises off Gibraltar) and co-operation within NATO affecting Gibraltar. The sensitivities of both sides are likely to discourage any early, conspicuous, Spanish military presence in a NATO capacity in Gibraltar. But removal of restrictions opens the way to facilitating full Spanish integration into NATO by agreeing to changes in command boundaries affecting Gibraltar and to the presence of some Spanish officers in the Gibraltar NATO command. This is covered further in Annex C.

12. During the course of the meetings we should continue to make it clear to the Spaniards, to the Gibraltarians, and in public, that our commitment to respect the wishes of the Gibraltarians has not wavered.

13. We should seek to have it accepted in Parliament,
/and

CONFIDENTIAL



and by the public, that discussion about Gibraltar, both on practical matters and our major differences of view is a normal and appropriate way to proceed with a democratic NATO ally and future EC partner.

CONFIDENTIAL



JOINT ANGLO-SPANISH STATEMENT ON GIBRALTAR

1. The British and Spanish Governments, desiring to strengthen their bilateral relations and thus to contribute to European and Western solidarity, intend, in accordance with the relevant UN resolutions, to resolve, in a spirit of friendship, the Gibraltar problem. *1980!*

2. Both Governments have therefore agreed to start negotiations aimed at overcoming all the differences between them on Gibraltar.

3. Both Governments have reached agreement on the re-establishment of direct communications in the region. The Spanish Government has decided to suspend the application of the measures at present in force. Both Governments have agreed that future co-operation should be on the basis of reciprocity and full equality of rights. They look forward to the further steps which will be taken on both sides which they believe will open the way to closer understanding between those directly concerned in the area.

4. To this end both Governments will be prepared to consider any proposals which the other may wish to make, recognising the need to develop practical co-operation on a mutually beneficial basis.

5. The Spanish Government, in re-affirming its position on the re-establishment of the territorial integrity of Spain, restated its intention that, in the outcome of the negotiations, the interests of the Gibraltarians should be fully safeguarded. For its part the British Government

/will



will fully maintain its commitment to honour the freely and democratically expressed wishes of the people of Gibraltar as set out in the preamble to the Gibraltar constitution.

6. Officials on both sides will meet as soon as possible to prepare the necessary practical steps which will permit the implementation of the proposals agreed to above. It is envisaged that these preparations will be completed not later than 1 June.

20 APRIL 1980

ANNEX B

THE MOVEMENT AND SETTLEMENT OF SPANIARDS AND OTHER NON-EC
NATIONALS IN GIBRALTAR

Introduction

1. This paper considers the position of Spanish workers in Gibraltar and the effects on them of:
 - a. implementation of the Lisbon agreement;
 - b. Spain's entry to the EC; and the possible rights of Spaniards to British citizenship.

The Present Position

2. Some 250 Spanish citizens continued to live in Gibraltar after the border was closed in 1969; many are in employment. Since 15 December 1982 some tens of thousands of Spanish visitors have crossed the border on foot. They are treated in the same way as other citizens of non-EC countries.
3. The rights of non-EC nationals differ from those of Gibraltarians in only a few respects. Non EC-nationals (including Spaniards) are treated as follows:

Work Permits

- (i) Non-EC nationals require a valid passport to enter Gibraltar. There is considerable administrative discretion as to the length of stay (e.g. to look for a job). But they may not take work without first obtaining a work permit. Gibraltar legislation requires that Gibraltarians, or other EC nationals, are given preference in the issuing of work permits. }

/(ii)



- (ii) Once in employment, they are entitled to the same pay scales and conditions, and enjoy the same rights to pensions and other contributory national insurance benefits, as do Gibraltarians. (Under Gibraltar legislation only Gibraltarians and resident British citizens are entitled to supplementary benefit). They may also join trades unions and, if resident in Gibraltar, hold trade union office.

Residence Permits

- (iii) Spouses (or children) of Gibraltarians who are non-EC nationals may become permanent residents in Gibraltar without restriction. Other non-EC nationals require residence permits which are renewable annually. (Before 1969, an administrative measure effectively prevented Spanish day-workers from staying in Gibraltar overnight. This measure was much criticised in Spain as discriminatory and has now been set aside.)

Ownership of Property

- (iv) Non-EC nationals are not permitted to purchase property in their own names. In practice however they can do so by forming a limited company (which has rights to acquire property and assets.)
- (v) Once resident, the children of non-EC nationals are entitled to free education.

4. In practice the severe shortage of private and government housing means that few Spaniards are likely to take up residence in Gibraltar. There is no housing shortage in nearby La Linea and costs are much lower.



5. In sum, these differences between the rights of Spaniards, as non-EC nationals, and Gibraltarians (or other EC nationals) have little practical effect. But the issue is of considerable psychological importance to Spain.

Effect of Implementation of the Lisbon Agreement

6. Rights of Spanish citizens in Gibraltar will not alter with the implementation of the Lisbon agreement. (Assurances about these rights were included in the exchange of letters signed by H M Ambassador and the Spanish Director for Europe at No 10 Downing Street during Prime Minister Calvo Sotelo's visit in January 1982 (copy attached). It was made clear to the Spaniards at the time precisely what rights were involved and that they amounted to non-discrimination against Spaniards who would be treated as other non-EC nationals.)

7. It is likely that many more Spaniards will seek work in the Territory when restrictions are fully lifted. As Moroccans leave (there are now about 3,000) some Spaniards will be able to fill jobs (mainly blue-collar) which Gibraltarians are unwilling to take up.

European Community

8. When Spain accedes to the European Community her citizens will enjoy the same rights in Gibraltar as all other EC nationals. But, as elsewhere in the EC, these will be subject to any transitional arrangements on free movement of labour agreed during the accession negotiations.

9. At the end of the transitional period (possibly 7 years) Spaniards wishing to work will not need to obtain a work permit. Following a qualifying period they would have the right to establish permanent residence. EC residents may purchase land.



Rights to British Citizenship

10. Spanish citizens may, at the Governor's discretion, obtain by naturalisation British Dependent Territories citizenship in Gibraltar. The residence, language and other qualifications are the same as those which apply in the United Kingdom for those seeking naturalisation here as British citizens. If naturalised, Spaniards who have become BDTC's in Gibraltar may apply for registration as British citizens under Section 5 of the British Nationality Act 1981.

11. Access to British citizenship for Spaniards is thus no easier in Gibraltar than it is in the United Kingdom. In practice, the Gibraltar authorities have taken a very cautious approach to applications for citizenship received from Spaniards. This attitude is unlikely to change.

CONFIDENTIAL

44



BRITISH EMBASSY.
MADRID.

8 January 1982

Excmo Sr Don Juan Durán-Loriga y Rodríguez
Director General de Europa y Asuntos Atlánticos
Ministerio de Asuntos Exteriores
MADRID

DSS 026/1		
RECEIVED IN REGISTRY NO. 16		
15 FEB 1982		
DESK OFFICER/		REGISTRY
INDEX	PA	Action Taken
		B

During our conversations about the implementation of the Lisbon Statement the British side raised other issues to which I refer below,

In paragraph 3 of the Lisbon Statement it is stated that the two governments have reached agreement on the reestablishment of direct communications in the region and that the Spanish government is suspending the application of the measures at present in force. I understand this to mean that there will be direct communications by both vehicles and pedestrians, and that there will be no special governmental restrictions on maritime and air communications. You informed me that the issue of flights to and from Gibraltar will be dealt with in the framework of the 1950 Anglo-Spanish Air Services Agreement without any extraneous restrictions.

We have also discussed the subject of the Prohibited Air Space. You assured me that it was never the intention of the Spanish government to endanger air safety. I understand that as a matter of priority early practical steps will be taken, in the interests of air safety, to

/adjust

CONFIDENTIAL



-2-

to adjust the application of the Spanish Prohibited Air Space in such a way as not to impede the safe and effective use of Gibraltar airport.

R E Parsons

CONFIDENTIAL



BRITISH EMBASSY,
MADRID.

8 January 1982

Excmo Sr Don Juan Duran-Loriga y Rodrigáñez
Director General de Europa y Asuntos Atlanticos
Ministerio de Asuntos Exteriores
MADRID

WSS 026/1		
RECEIVED IN REGISTRY NO. 16		
15 FEB 1982		
DESK OFFICER		REGISTRY
INDEX	PA	Action Taken
		<i>[Signature]</i>

Thank you for your letter of 8 January, concerning the implementation of the Lisbon Statement. This reads as follows in the English text:

"I wish to set out the following as regards our recent conversations:

The Spanish and British Governments, having decided to put into practice the Lisbon Statement in all its aspects by means of a policy of concrete implementation of its provisions, have agreed the following:

- (i) To start the negotiations envisaged in the above mentioned Statement on 20 April 1982 with the aim of resolving all their existing differences over Gibraltar:
- (ii) On the same day communications will be reestablished as equally provided for in the Lisbon Statement:
- (iii) The Spanish Government note that the new regime applicable in Gibraltar which will be in force on the date earlier indicated modifies the situation which existed before 1969, removing elements which in



the view of the Spanish Government were discriminatory and which they consider fundamental. Specifically, equality for Spaniards in Gibraltar as regards the right to stay overnight and in matters of employment, social security, salaries and the right to join trade unions is assured.

In parallel with the initial phase of the negotiations envisaged at (i) above both sides will deal with the remaining questions concerning the situation of Spaniards in Gibraltar with a view to determining the concrete implementation of the principles of reciprocity and equality of rights laid down in Lisbon. The two sides recognise that agreements reached will have to be given effect as soon as possible by the adoption of the necessary measures, including the introduction of new legislation, if necessary".

I confirm that my Government accept this as a correct statement of the understandings reached between us on matters raised by the Spanish Government.

R E Parsons

ANNEX C

SPAIN, GIBRALTAR AND NATO

Introduction

1. This paper considers the possible effects of implementation of the Lisbon agreement upon Spain's integration into NATO.

Command Structures

2. At present the NATO Command based in Gibraltar (GIBMED) is commanded by a British officer (COMGIBMED) and falls under a more senior NATO command, Allied Naval Forces Southern Europe (COMNAVSOUTH) which is based in Naples and commanded by an American officer. COMNAVSOUTH is itself a subordinate command, through CINCSOUTH in Naples, of the Supreme Allied Commander Europe (SACEUR).

3. In order to take account of Spain's membership of NATO, it would be logical, and militarily desirable, to bring the NATO Command in Gibraltar under an intermediate Command, based in Spain with a Spanish Commander, covering the Western Mediterranean, the Straits of Gibraltar, the East Atlantic up to the Portuguese border and the Canary Islands. COMGIBMED himself, however, would continue to be a British officer. (The possibility of such changes was discussed in OD on 7 June 1982.)

4. The Spanish Government's attitude towards integration into NATO's military structure is equivocal. They appear to hanker after membership outside the Integrated Military Structure, like the French. There are signs, however, that full membership of NATO is gaining increasing support in Spain as the advantages become more fully understood.

/A satisfactory



A satisfactory arrangement of the Command structures would be a powerful inducement to the Spanish Government and might enable them to gain more general electoral support for full integration.

5. The Spanish Government is likely to decide against joining the Integrated Military Structure if they conclude that the NATO Command at Gibraltar (which covers a small area of seas in the vicinity of the straits of Gibraltar) will continue to be directly subordinate to COMNAVSOUTH while the waters to the east and west of the GIBMED area are answerable to a Spanish Commander. Such an anomalous situation would compound the irritant effect of Gibraltar on Spain's doorstep, as well as being militarily undesirable.

6. So long as Spanish restrictions remain on Gibraltar, we have made it clear to NATO allies that we will not accept the subordination of GIBMED to a senior Spanish NATO Commander. The Spaniards are aware of our position. If, however, the restrictions were lifted as a result of implementation of the Lisbon agreement, it would become easier to consider, in consultation with our allies, an arrangement on the lines described in paragraph 3 above.

Spanish Military Presence on the Rock

7. The military staff of many bases used for NATO purposes frequently contains a mix of nationals from various member countries. GIBMED, for example, has an American liaison officer with the rank of Naval Commander.

8. So long as the restrictions remain in being, we could not accept the presence of any Spanish military officer in an official capacity on the Rock.



No. 9. If the restrictions were lifted, we could in principle accept the presence of middle ranking Spanish officers in a NATO capacity.

10. In practice, the sensitivities of both sides would probably ensure that any Spanish military presence would be very limited, at least until attitudes changed. (Spanish serving officers are unlikely to want to serve in Gibraltar under a British Commander. In current circumstances, we shall also wish to ensure that any Spanish military presence remains inconspicuous.)

National Command

11. Quite separate from the NATO Command structure, the Governor is Commander in Chief Gibraltar and the heads of the three services command their forces for national purposes. The Spaniards could not be allowed to play any part in this command structure.

CONFIDENTIAL

PRIME MINISTER

Copies: Sir A. Parsons
Mr. Gashly.

Gibraltar

You saw over the weekend the Foreign and Commonwealth Secretary's minute of 4 February forwarding the additional information requested at OD on 2 February.

You asked for a note about the relationship between Gibraltar and the European Community. This is now attached. I also attach a note about the Mole in Gibraltar waters which I requested because of a recent telegram to the effect that it was now 1,420 metres in length and mostly in Gibraltar waters.

Are you content that the Foreign and Commonwealth Secretary should now make arrangements to open talks with the Spaniards - or do you want a further OD discussion?

*Yes - the
can
review
the matter
as better process
on 1 week*

8 February, 1983

*As in letter to OD
the Community
although the
E.C. members
A.F.C.*

Gibraltar, Spain and the ECThe Present Situation

1. The Treaty of Rome applies to Gibraltar as a European Territory for whose external relations the UK is responsible (under Article 227 (4) of the EEC Treaty). Gibraltarians are thus EC nationals. Gibraltar is, however, excluded from the customs territory, and exempted from the CAP and application of VAT. Gibraltar's status within the EC would not be affected by Spain's entry.

Effects of Spanish entry to the EC

2. On joining the EC, Spain accepts the internal acquis communautaire (ie the body of existing rules) in relation to Gibraltar, though its application may be deferred under transitional arrangements. This acquis includes obligations on the free movement of labour and rights of establishment as well as the principles set out in Part One of the Treaty, requiring inter alia the abolition between Member States of obstacles to freedom of movement for persons, services and capital.

3. On accession, Spain similarly accepts the external acquis. Since Gibraltar is not part of the EC customs union, imports from Gibraltar to the Community are subject to the common regime for Community imports; ie, after accession, the movement of goods from Gibraltar to Spain will be in accordance with Community import rules, including those covering duties and quotas.

4. In practice, the Community will insist on a transitional period before the free movement of labour provisions come into effect. This will be agreed during the accession negotiations and is unlikely to be less than 7 years. Spaniards would not therefore have rights to take up work in Gibraltar by virtue of their membership of the EC until the expiry of this transitional period.

Rights in Gibraltar for EC Nationals

5. Annex B attached to the Foreign and Commonwealth Secretary's minute of 4 February refers to the rights of EC nationals in Gibraltar. With very few exceptions, the rights of a citizen of an EC member country (subject, in the case of Greece, to transitional arrangements) are identical to those of Gibraltarians. An important

/exception

exception concerns the right to supplementary benefit: under Gibraltar legislation only a Gibraltarian, or a citizen of the United Kingdom who has been resident in Gibraltar for a qualifying period, is entitled to supplementary benefit. Another exception is that non-Gibraltarian EC nationals (except UK citizens) have to be resident in Gibraltar to have the right to purchase property.

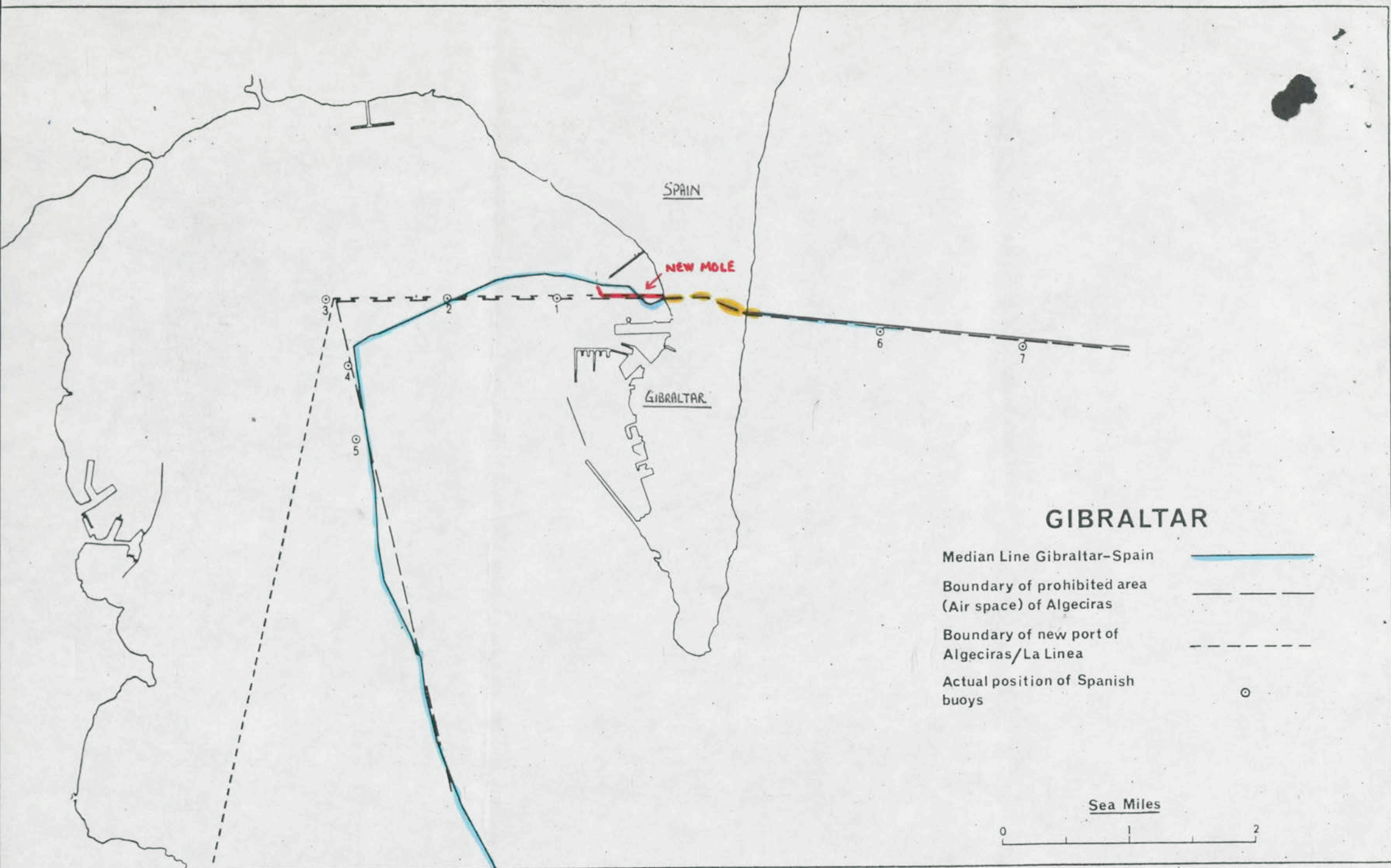
Mole in Gibraltar Waters

1. The Spanish authorities in La Linea started constructing a mole in the Bay of Gibraltar in early summer 1982. It projects westwards from the southern extremity of Spanish territory (see sketch map attached). The mole appears to be part of the longstanding plans for the development of the port of La Linea: it protects an existing jetty.

2. The first 330 metres of the mole are in Spanish waters. The construction then enters Gibraltar territorial waters at a point where the median line claimed by the UK forms a loop northwards. (The line takes account of the projection into the Bay of the airport runway. Our claim in this area is less strong than elsewhere.) The mole is now 1420 metres in length (Gibraltar telno 15 of 4 February). Some 1090 metres are in Gibraltar waters. Construction of the mole is now in a north-westerly direction which will take it out of Gibraltar waters again after a further 100 metres. The main part of the mole follows the boundary of the Port of Algeciras - La Linea (ie the limit of territorial waters in practice respected by Spain). We have no reason to expect it to inconvenience the port or airport of Gibraltar in any way.

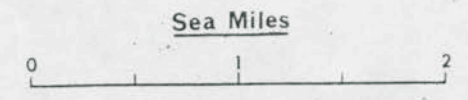
3. Following intrusion of the mole into Gibraltar waters, and after the Law Officers had been consulted, a note of protest was delivered to the Spanish Government on 27 October 1982. The note stated HMG's view that the mole infringed Gibraltar territorial waters; requested that work should cease; and asked that the course should be altered to take it outside territorial waters. No reply has been received. The problem of the mole was discussed by OD on 4 November 1982 (on the basis of letters from the Private Secretary to the Foreign and Commonwealth Secretary to the Private Secretary to the Prime Minister of 22 and 26 October). The Foreign and Commonwealth Secretary raised the matter with the Spanish Foreign Minister on 10 December and the Ambassador at Madrid has since brought it again to the attention of the Spanish authorities.

4. Annex A of the Foreign and Commonwealth Secretary's minute of 4 February (paragraph 7 (vii)) notes that the problem of the mole is one of the subjects which will have to be pursued further with the Spaniards.



GIBRALTAR

- Median Line Gibraltar-Spain —————
- Boundary of prohibited area (Air space) of Algeciras - - - - -
- Boundary of new port of Algeciras/La Linea - · - · -
- Actual position of Spanish buoys ○



CONFIDENTIAL



Foreign and Commonwealth Office

London SW1A 2AH

7 February 1983

Dear Sir,

Gibraltar

As requested, I attach additional
/
papers on a) the Mole in Gibraltar waters;
/
and b) Gibraltar, Spain and the EC.

Yours faithfully,
R B Bone

(R B Bone)
Private Secretary

A J Coles Esq
10 Downing Street

CONFIDENTIAL

cc HO WPSO
HCO DOT
HMT CAZ
WPO CO
MOD

CONFIDENTIAL

cc.

Sir A. Parsons
Mr. Jackling

da



10 DOWNING STREET

From the Private Secretary

10 February 1983

Gibraltar

The Prime Minister has seen the minute of 4 February by the Foreign and Commonwealth Secretary and its annexes. She has also seen Roger Bone's letter of 7 February enclosing notes on a) Gibraltar, Spain and the EC and b) the Mole in Gibraltar waters.

In the light of these papers, the Prime Minister is content that the Foreign and Commonwealth Secretary should now make arrangements to open talks with the Spaniards but has commented that she will wish to review the various aspects of the problem as talks proceed.

Mrs. Thatcher made one or two comments on Mr. Pym's minute of 4 February. I think that she would prefer the word "talks" rather than "negotiations" to be used to describe the discussions which we shall have with the Spaniards in implementation of the Lisbon Agreement. With regard to paragraph 6 of the minute, the Prime Minister has asked what would happen if, after Spanish entry to the European Community, Spain once more closed the border with Gibraltar. The Foreign and Commonwealth Secretary may wish to cover this point during one of his regular meetings with the Prime Minister.

I am copying this letter to the Private Secretaries of other Members of OD and Sir Robert Armstrong.

A. J. COLES

Brian Fall, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL

So.