Foreign and Commonwealth Office London SW1A 2AH 16 July 1982 Dear Folin. Falkland Islands: Rehabilitation Your letter of 13 July recorded the Prime Minister's request for briefing at two weekly intervals on the programme of rehabilitation in the Falklands. I enclose a paper on this subject compiled in conjunction with the Ministry of Defence. I am copying this letter to the Private Offices of all members of OD(FAF) and to PS/Sir Robert Armstrong. four evos. (J E Holmes) Private Secretary A J Coles Esq 10 Downing Street

FALKLAND ISLANDS: REHABILITATION: POSITION AT 16 JULY 1982 EMERGENCY REHABILITATION BY THE ARMED FORCES The armed forces, and the Royal Engineers in particular, are helping with civil rehabilitation when they can be spared from urgent military tasks. There is a close relationship with the Public Works Department of the Falkland Islands Government. 2. The main areas of action are: Water Supply The system has been patched up but needs major work in the longer term. We await the Civil Commissioner's recommendations. Electricity Military generators at substations are helping take the load for the time being. Explosives The main settled areas, plus land required by the military, should be cleared by the end of October . The Army is concerned about deteriorating conditions and sceptical of PWD ability to do much repair. The machinery being shipped in for the repair of the airfield may be of some help but the Army does not have spare resources for a major repair programme. be considering the longer term road needs. Housing Houses occupied by troops and civilians have been patched up. Other Facilities There is some other 'make do and mend' work going on to repair buildings/facilities, for example at ports. /REHABILITATION

REHABILITATION BY THE CIVIL AUTHORITIES Support for the civilian rehabilitation programme is being coordinated by the FCO Falklands Rehabilitation Unit. on the basis of requests and advice from the Civil Commissioner. The Unit includes staff seconded from ODA and MOD. Housing The Falkland Islands Government have requested 27 prefabricated permanent houses. We have investigated numerous suppliers in Britain and abroad, established a short list and await details from Port Stanley on specifications for sites, foundations, services etc. Once these are complete a final request for tender can be put to possible suppliers. An ODA specialist is on standby to fly out if this would help the Civil Commissioner. 5. The provision of ten mobile homes is being pursued as an interim measure. Building Materials The Civil Commissioner's request for building materials for repairs - glass, cement, timber, corrugated iron etc - was received on 5 July. We placed an order with Blue Circle on 12 July. The bulk of these materials are due to be shipped by MOD chartered vessel due to arrive in Port Stanley about 16 August. 7. Further materials will be required and we are continuing to investigate suppliers in South America, Australia and New Zealand as well as in Britain. Replacement aircraft for Falkland Islands Government Air Service (FIGAS) We have considered a range of options for the re-equipment of FIGAS in light of the Civil Commissioner's /recommendations - 2 -

recommendations and the advice of FIGAS pilots, MOD, the Civil Aviation Authority and commercial experts and taking into account the changed condition in the Islands. Proposals will be submitted to FCO Ministers shortly. Reinforcement of Falkland Islands Government All the personnel whose return the Civil Commissioner identified as high priority have been returned to the Islands or have been offered passages. 10. ODA have set up a special Falkland Islands Recruitment Unit, and are pursuing recruitment for 35 posts ranging from medical officers and teachers to plumbers and electricians. The appointments of six of these officers should be completed by 19 July. A new medical officer and police superintendent flew to the Islands over the weekend. Compensation 11. The Civil Commissioner has been asked to compile lists of claims. A submission on policy has been put to FCO Ministers. Stanley Airport 12. The temporary reconditioning of Stanley Airport should be completed by early September. A paper on proposals for a permanent replacement airport is being prepared by MOD for submission to OD(FAF). Civil Air and Sea Links 13. The FCO are considering approaches to the Brazilian, Uruguayan and Chilean governments on possible sea and air links with the Falklands. Careful timing of such approaches will be very important. Meanwhile the RAF continue to /provide - 3 -

provide air services for high priority travel and the FCO are considering supplementing the sea service provided by the Falkland Islands Company's vessel. Problems 14. No major problems have yet been encountered. Programmes have to be undertaken at speed and often in the absence of full information. There is thus a risk of mistakes. The shortage of housing in Port Stanley will remain a short term constraint until we can ship mobile homes and prefabricated housing units and while troops remain billeted in the town. Manufacturing and shipping times are a major obstacle. Falklands Unit Foreign and Commonwealth Office 16 July 1982