



MINISTRY OF DEFENCE
WHITEHALL LONDON SW1A 2HB
Telephone 01-218 6621 (Direct Dialling)
01-218 9000 (Switchboard)

Minister of State
for Defence Procurement

D/MIN/TT/12/3/2

13th August 1982

Rue Münster

H

16/8

Dear Douglas

When OD met on 21st July (OD(82)15th Meeting) to consider the arms embargo against Argentina (OD(82)58) and the supply of British equipment for frigates being built in Germany for Argentina (OD(82)63) it was agreed that the Foreign Secretary should seek assurances from the German Government that the frigates would not be delivered to Argentina without prior consultations with HMG. On this basis the remaining British equipment could be released for delivery. These assurances were of course sought by our Embassy in Bonn last month.

will repeat if reqd

Since OD our officials have been in touch over the telegrams that have been exchanged with Bonn on this subject. John Nott is currently on leave, but he has seen Bonn telegram 677 of 3rd August and expressed his concern that the British equipment for the frigates has not yet been released. It is certainly very worrying that our Embassy in Bonn thinks that the Germans may be in no hurry to give us the assurance we have requested or may not be willing to give such an assurance at the end of the day.

/ I believe ...

The Rt Hon Douglas Hurd CBE, MP

~~CONFIDENTIAL~~
~~CONFIDENTIAL~~
2

*had
referred
if need*

I understand from John that it was the intention of OD that this equipment should not be delayed indefinitely if a German assurance is not forthcoming. I imagine that your understanding is the same in the light of the last sentence of your telegram (No 375 of 5th August) to Bonn last week in which you say that if there has been no progress in a week's time we shall need to look at the matter again. The various British manufacturers involved are becoming increasingly concerned that if they are not given the go-ahead to deliver their equipment to Germany very shortly they will not only lose this particular business but also the possibility of any further business in other countries with the shipbuilders Blohm and Voss and the other major German companies involved. There is also a very real risk that what will be seen as a failure to deliver the goods will not go unremarked in a wider field to the detriment of our defence sales effort.

I therefore believe that the time has now come to permit our manufacturers to deliver the equipment still outstanding for these frigates and I seek your agreement to this course. For the present the German embargo on all defence sales to Argentina would prevent the delivery of the frigates on their completion.

I am copying this letter to members of OD and Sir Robert Armstrong.

*Yours
Trenchard*

Trenchard

~~CONFIDENTIAL~~
CC. ~~CONFIDENTIAL~~