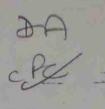
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10 DOWNING STREET

From the Private Secretary

5 November 1985

FALKLAND ISLANDS FISHERIES

Thank you for your letter of 1 November about the Falkland Islands fisheries.

The Prime Minister has read this without comment. You will no doubt be letting me have some specific recommendations shortly.

(Charles Powell)

L.V. Appleyard, Esq., Foreign and Commonwealth Office.

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Foreign and Commonwealth Office

London SW1A 2AH

1 November 1985

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Dear Charles,

Falkland Islands Fisheries

Ministers agreed in OD in February that we should tackle the problem of foreign fishing fleets' over-fishing of the waters around the Falklands by promoting the establishment of a multilateral fisheries regime under the aegis of the Food and Agriculture Organisation (FAO).

At our prompting, the FAO made informal approaches to the representatives of the fishing nations (principally the Soviet Union, Poland, Spain, Japan and South Korea) and Argentina in April. Initial reactions by the fishing nations were generally favourable. But several added the condition that both Argentina and Britain should agree to take part in the consultations proposed by the FAO. We have lobbied vigorously in favour of the multilateral initiatives covering the fishing nations, some Latin American countries, the Community, the Americans, Canadians and New Zealanders.

The Argentine reaction has been to procrastinate, claiming that their participation in the FAO scheme required a political decision which they were evidently unwilling or unable to take. We have brought indirect pressure to bear on Argentina through friendly governments and the FAO. The Foreign Secretary also urged the Argentines to recognise the advantages of the multilateral approach, and to respond positively to the FAO, both publicly in his speech at the UN General Assembly on 25 September and in two private messages to the Argentine Foreign Minister, Caputo, delivered through the Swiss. Caputo's response was non-committal but not discouraging.

In the last two weeks we have received reports that the Argentines are seeking to negotiate bilateral agreements with the principal fishing nations concerned, purporting to lay down conditions for these countries' fishing fleets to operate in the waters around the Falklands, including the Falkland Islands Protection Zone. These reports now appear to have been confirmed by the enclosed report from Port Stanley of a news item broadcast by the Argentine external radio service on 30 October. A similar report appeared in an Argentine newspaper the same day. These reports have not so far surfaced more widely.



We have already taken a number of steps in the expectation that the Argentines might move in this way. We have very recently instructed posts concerned to urge their host governments to respond positively to the FAO initiative. We have also underlined to the Director General of the FAO the need to move rapidly and the Foreign Secretary has sent a further message to Caputo making the case for a constructive Argentine response. We have also told posts in the capitals of the major fishing nations to make clear the very serious implications of reaching bilateral agreements with Argentina.

Sir Geoffrey Howe will put forward recommendations very shortly on what steps we need to take to counter this Argentine action. One factor will be the responses from the fishing nations to the Argentine approaches. The Japanese have told us that the Argentines have not in fact suggested negotiations about Falklands waters. The Spaniards and South Koreans claim not to have been approached. It seems unlikely that any of the fishing nations will want to rush into a bilateral agreement with Argentina, particularly as it will now be clear to them following our approaches that such a step would gravely damage the prospects for agreed multilateral arrangements and hence work against their own interests in orderly fishing arrangements in the South West Atlantic.

If, however, the Argentines persisted in their efforts to conclude agreements with fishing nations purporting to regulate fishing in waters over which we can claim jurisdiction deriving from our sovereignty over the Islands, Ministers would need to consider the option of imposing a unilateral fishing regime. The pressure to do so would be particularly strong if Argentina succeeded in reaching a bilateral agreement with one of the fishing nations. We here have done a great deal of contingency work in case Ministers decided that it was necessary to move to a unilateral regime. There are of course other steps we could take short of that to protest about the Argentine move and safeguard our legal position.

Sir Geoffrey Howe asked me to write to you on this basis, though he has not seen the text of the letter.

(L V Appleyard)
Private Secretary

Your ever,

C D Powell Esq PS/No 10 GRS 120

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FALKLAND ISLANDS FIGHERIES

1. FOLLOWING WAS BROADCAST IN ENGLISH BY ARGENTINE EXTERNAL RADIO AT 1800Z ON 30 CCTOBER.

BEGINS: ARGENTINA IS NEGOTIATING ACCORDS WITH COUNTRIES THAT FISH IN THE MALVINAS ZONE. OUR COUNTRY HAS PROPOSED TO THOSE COUNTRIES WHOSE FISHING VESSELS OPERATE AROUND THE ARCHIPELAGO, TODAY CCCUPIED MILITARILY BY GREAT BRITAIN BUT OF ARGENTINE SOVEREIGNTY, THE SIGNING OF A SERIES OF ACCORDS WHICH WOULD ALLOW FOR BINATIONAL COOPERATION FOR THE FISHING DEVELOPMENT OF THE ZONE. THE COUNTRIES INVOLVED ARE POLAND, SPAIN, THE SOVIET UNION, SOUTH KOREA AND JAPAN WHOSE SHIPS WILL HAVE THE POSSIBILITY OF DOCKING IN ARGENTINE PORTS UNDER CERTAIN CONDITIONS WHEN THEY ARE FISHING IN JURIS—DICTIONAL WATERS OF OUR COUNTRY. AMONG THOSE CONDITIONS FIGURES THE GUARANTEE THAT PART OF THE FISHING OPERATIONS DE CARRIED OUT IN ARGENTIME TERRITORY AND WHOSE PRODUCT COULD BE FINALLY ACQUIRED BY THE FISHING TRAWLERS' COUNTRY CONSIDERING IT AS AN ARGENTINE EXPORT.

ENDS

JEWKES

FALKLAND ISLANDS - FISHERIES

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Repetition to Buenos Aires

referred for i partmantal decision,

repeated as requested to other posts.

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