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SECRETARY OF STATE FOR SCOTLAND

Falkland Islands Transport Project

1. Thank you for your letter of 5 December. I take it that you are referring to the consortium South Atlantic Development Ltd. The proposals of the consortium are indeed well known to our Department here, who have given it appropriate help and encouragement.
2. I agree that the consortium has put a lot of work into its prospectus. I understand however that a number of other British companies are also in the field, and it will eventually be for the Falkland Islands Government to decide which of the competing proposals best suit their requirements.
3. I am grateful to the Ministry of Defence for their readiness to consider in this connection whether they will have any further need for the Falkland Islands Port and Storage System (FIPASS) once its service in Stanley harbour is at an end and whether in the meantime, as the consortium proposes, it might be operated by a civilian company. Should the Falkland Islands Government favour proposals which could involve them in taking over FIPASS for their own use, on appropriate terms, I hope the MOD will be ready to give this most sympathetic consideration.
4. I am copying this minute to Michael Hesletine and to the Prime Minister.

(GEOFFREY HOWE)

FOREIGN AND COMMONWEALTH OFFICE

11 DECEMBER 1985

Argentina, Republic of Falklands; Pt 14

