Foreign and Commonwealth Office London SW1A 2AH applyje 19 August 1986 Dear Tim, I enclose a draft reply to Lord Shackleton's letter of 31 July to the Prime Minister (Charles Powell's letter of 3 August to Robert Culshaw). This takes account of the FCO News Department's statement of 13 August on the Soviet/ Argentine Fishing Agreement. I am copying this letter to John Howe (Ministry of Defence). Yours Sincerely, Colin Budd (C R Budd) Private Secretary Tim Flesher Esq 10 Downing Street

(Revised) SECURITY CLASSIFICATION Top Secret Secret Confidential Restricted Unclassified PRIVACY MARKINGIn Confidence CAVEAT.....

Enclosures—flag(s).....

DRAFT: minute/letter/teleletter/despatch/note

FROM:

Prime Minister
DEPARTMENT:

TEL. NO:

Your Reference

The Rt Hon Lord Shackleton KG PC OBE Copies to

8 St James's Square

SUBPECT! SWIY 4JU

Thank you for your letter of 31 July expressing concern at the prospect of Argentina signing a bilateral fisheries agreement with the Soviet Union and other fishing nations.

We will clearly have to look very carefully at the implications of the Soviet/Argentine agreement both for the chances of achieving a multilateral conservation and management regime and for our jurisdiction over Falklands waters. As I said in my letter of 9 July, we had been aware for some time of these negotiations, and made our position clear to the Soviet Government on a number of occasions; indeed Geoffrey Howe took the matter up with Mr Shevardnadze in July. When the signature of an agreement was reported in the press, our Embassy in Moscow asked for a copy of the text and for an assurance that

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the agreement did not infringe our rights under international law. The Russians have still not responded adequately, and the Foreign and Commonwealth Office put out a statement on 13 August reserving our position (I enclose a copy). Our Embassies in those countries with an interest in the South West Atlantic fishery are also bringing our statement to the attention of their host governments.

I understand the arguments which you make for our declaring our own unilateral fishing zone. As Janet Young said in reply to your question in the House of Lords on 29 July, we retain our right to do this. But if we can achieve it, a multilateral management regime under FAO auspices makes good sense in seeking conservation arrangements for migratory fish stocks in waters where sovereignty is disputed. The FAO technical study of the fishery should be ready in September. This will offer an authoritative guide to the state fo the fish stocks and indicate whether special protection measures are required. We will need to give the FAO study careful consideration.

I think it would be wrong to contemplate a major change in our approach until we have all the facts. But you need have no doubt that we are monitoring the situation very closely.