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TALKLAND ISLANDS FISHERIES: ENFORCEMENT IMPLICATIONS

The Defence Secretary has seen the Note by the Secretaries (OD(86)16) of 10th October with the report by officials in response to OD's request of 2nd October. He has also seen the views of the Prime Minister and the Foreign Secretary recorded in the Private Office letters of 15th October.

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Mr Younger is content with the suggestion that the Falkland Islands Government (FIG) should be consulted as soon as possible about the proposal to introduce a FICZ based on the arrangements outlined in the report, and with the plan to make a public announcement before the end of October provided that civilian assets can be in position for 1st February 1987 and a solution identified to the problem with the civil aircraft. In accordance with the Prime Minister's wish, action is now in hand urgently to identify the options available to HMG if an Argentine vessel fails to comply with an order to leave the FIPZ, and this will be discussed by a small group of officials early next week.

Mr Younger is, however, concerned by the implications of the Foreign Secretary's suggestion that, if the FIG is unwilling to accept the financial implications of the scheme proposed, military assets should be used to enforce the FICZ. He sees no basis for this proposal, nor its financial implications for the Defence budget given that OD agreed on 2nd October that fisheries enforcement was a civil task and, if the costs of enforcement could not be covered by income from the fisheries regime, they should be met by FIG or the aid budget. Any change to this agreement would need further consideration by Ministers.

I am copying this minute to the Private Secretaries to the Prime Minister, the Lord President, the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer, the Secretaries of State for Energy and Trade and Industry, the Attorney General and the Minister of Agriculture, Fisheries and Food.

(J F HOWE)

Private Secretary

C L G Mallaby Esq CMG Cabinet Office