



SECRETARY OF STATE FOR ENERGY

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The Rt Hon Sir Geoffrey Howe QC MP Secretary of State for Foreign & Commonwealth Affairs FCO Downing Street LONDON SWIA 2AL

CM315

29 April 1988

Dear Secreby of Shute

OD (FAF) (88) 2: ALTERNATIVE CIVILIAN PRESENCE ON SOUTH GEORGIA

I agree with the recommendation of the above paper that an analysis should be undertaken of the prospects for a fisheries regime based on South Georgia. I note however that the working group did not address itself to the prospects of a minerals licensing regime. Indeed the paper makes only passing reference to the whole question of minerals onshore, and is silent on the prospects of a licensing regime offshore. This is a little surprising given our previous agreement in principle to the recommendations of the 1986 Inter-departmental Working Group on the Falkland Islands seismic survey, for a licensing regime for seismic surveys. This commitment was confirmed last year in exchanges between Peter Morrison and Tim Eggar.

There are obvious parallels between South Georgia and the Falklands and given the work already done in the case of the latter, I believe that the working group could within a reasonable timescale address itself to the prospects for licensing a mineral and hydrocarbon exploration and exploitation regime on South Georgia and seismic surveying. My officials stand ready to assist the working party in this task so that these aspects can be included in colleagues' further consideration of all the options as your paper recommends.

Copies of this letter go to members of OD (FAF).

CECIL PARKINSON

(Approved by the Secretary of State and signed in his absence)

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