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22(a)

From the Private Secretary

28 November 1989

See Stephen.

ARGENTINA: CONFIDENCE BUILDING MEASURES

The Prime Minister has considered the Foreign Secretary's minute of 24 November, in which he described Argentinian proposals for confidence building measures in the South-West Atlantic, and suggested a line which our representatives should take at the meeting of the Joint Anglo-Argentine Working group in Montevideo on 5 and 6 December.

The Prime Minister thinks the Argentinians have offered enough to make it worthwhile exploring their ideas in further negotiation, without any commitment to lift the FIPZ. She is therefore content with the approach set out in paragraph 9 of the minute.

I am sending a copy of this letter to the Private Secretaries to members of OD and to Sir Robin Butler.

*Yours sincerely,
C. D. Powell*

(C. D. POWELL)

Stephen Wall, Esq.,
Foreign and Commonwealth Office.

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21(9-f) Prime Minister call (i)

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PM/89/060

PRIME MINISTER

The question is whether the Argentines have offered enough to make it worthwhile exploring their ideas in further negotiations without any commitment to lift the FIPZ, which remains

Argentina: Confidence Building Measures

for now. The MOD clearly think they have.

1. My Private Secretary wrote to yours (and those of OD Members) on 1 November about the outcome of the October talks in Madrid. Before the next round of talks in Madrid next February working group meetings will be held in Montevideo on 5 and 6 December to discuss possible confidence building measures (CBMs) in the military sphere; and on 18 and 19 December in Paris to discuss fisheries. This minute, which has been produced in consultation with the Defence Secretary, considers the remit for our team at the first of these working group meetings.

April
we should proceed as in para. 9.

2. A key objective for the Madrid talks in February should be to establish a satisfactory security framework for the South West Atlantic. In my view, such a framework would have to provide:

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(i) security at least as good as that offered by the existing Falkland Islands Protection Zone (FIPZ) if not better;

yes
no

(ii) international acceptability, based on the fact that the new arrangements would be mutually agreed, not unilaterally imposed; and



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(iii) the prospect of keeping the Americans on side and willing to consult over arms sales even in an atmosphere of detente.

Security

3. Just before the Madrid talks the Argentines set out a package of confidence building measures (CBMs) which they said that they intended to propose as an alternative to the FIPZ. The defence staff have now studied the Argentine proposals (Annex A) carefully and a detailed analysis of the Argentine proposals is at Annex B. There are many points of detail which need to be clarified (if indeed the Argentines have worked out the details) but the overall impression is of a genuine attempt to produce a package which would provide the UK with sufficient security to enable us to lift the FIPZ, as well as providing an appearance of reciprocity which would encourage international acceptance and help the presentation of the package within Argentina. There are many positive features but not yet enough to provide a fully satisfactory alternative to the FIPZ.

4. The key provision is 1(2) which would require both countries to give 48 hours advance notification of surface and air units proposing to approach closer than 50 miles (sea) or 100 miles (air) to the other's coasts (submarines would not be covered). Assuming that the distances were measured from baselines (as in the

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territorial sea), this would provide an air zone around the Falklands which was slightly bigger than the present FIPZ (especially on the militarily important western approaches) and a sea zone which was slightly smaller (see map at Annex C). In practice the distinction between differing air and sea limits would present no difficulty. A smaller sea zone could in fact be easier to police.

5. If Argentine air and sea units were excluded from these zones, this would in military terms be a slight improvement on the present FIPZ as the gain from the larger air zone is considerably more significant than the slight reduction in the sea zone. We would have to consider the practical implications (particularly in relation to intelligence) of agreeing to any parallel requirement for our units to keep away from the Argentine coast - which might be important to the Argentines for presentational reasons - but these would probably not be of overriding significance. The key deficiency of the Argentine proposals is, however, that following paragraph 1(2) Argentine units would in practice be free to enter the zones so long as they had given 48 hours notification i.e. they would not require our authorisation. Advance notification would not be adequate: if such an agreement were to be acceptable in place of the FIPZ a regime of prior authorisation would be essential.

6. A few of the other Argentine military measures could be accepted in isolation (1(10)-1(13)) and others are potentially acceptable provided that they form part of an

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acceptable overall regime and/or subject to their practical interpretation. We will have to be particularly cautious about proposals for exchange of information, e.g. 1(7) and 1(8). Although there would be advantage in knowing more about Argentine dispositions, we do not want to have to reveal details of our own capabilities which would not otherwise be readily apparent. A number of others are, however, inconsistent with the FIPZ in the present form, but if authorisation were substituted for notification in paragraph 1(2) these points would become irrelevant. Nor do I think that visits by the Argentine military to the Falklands themselves are likely to be acceptable, at any rate for some time to come.

7. In addition to the military measures, the Argentines propose "other reciprocal measures". These provide for the exchange of information on the security of navigation, on the weather and on marine search and rescue and aircraft diversions. These are acceptable (indeed we had very similar ideas ourselves) though details would have to be worked out.

8. We could expect such agreed arrangements to be widely accepted internationally and to have a degree of permanence, whereas while we retain the FIPZ we shall be under constant pressure to modify or lift it. An effective set of confidence building measures could serve to conclude the process of normalisation and induce the Argentines to respect a mutually acceptable defence framework in the South Atlantic for the foreseeable future.

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Conclusions

9. Against this background, the Defence Secretary and I recommend that our representatives at the working group should be instructed:

(a) to reiterate that we could only consider alternative arrangements to the FIPZ if they provided at least equivalent security;

(b) to make clear that the proposed Argentine package fails to meet this requirement because of the fundamental shortcomings in their measure 1(2) and to try to explain our requirement for arrangements based on prior authorisation;

(c) to say that we could agree in principle to a number of their individual measures (numbers 1(10), 1(11), 1(12), 1(13), II, V and VI);

(d) to explore further a number of other proposals (as described in Annex B) which might also be acceptable as individual CBMs and which could be discussed at Madrid II.

10. If the team gain an indication that the Argentines would be prepared to contemplate offering some form of voluntary and public agreement to keep their military units away from the Falklands as an alternative to the FIPZ in its current form, we shall need to consider very carefully whether there would be long-term advantages in trying to negotiate such an arrangement at Madrid II rather than simply standing pat on the FIPZ.

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11. I am sending copies of this minute to members of OD and to Sir Robin Butler.

DH.

(DOUGLAS HURD)

Foreign and Commonwealth Office

24 November 1989

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ARGENTINE PROPOSED CONFIDENCE-BUILDING MEASURES

I) RECIPROCAL MILITARY MEASURES

Mutual Visits

- 1) Exchange of visits to military bases and naval units.

Movements

2) Reciprocal advance notification (48 hours) of movements of units (any military combat vessel or aircraft) which proposes to go beyond a distance less than 50 miles (for vessels) and 100 miles (for aircraft) measured from the respective coasts, within an indication of identification, envisaged direction and intention.

authorization

3) Voluntary reciprocal advance notification (7 days) of the concentration of more than 2 units when it takes place less than 100 miles from the respective coasts, with an indication of their co-ordinates.

Manoeuvres

4) Reciprocal advance notification (30 days) of manoeuvres in which more than 6 units participate when they take place in maritime waters less than 20 miles from the respective coasts, with an indication of co-ordinates.

5) Reciprocal acceptance of the presence of observation units in the area where manoeuvres contemplated in (4) are carried out.

6) Advance notification (30 days) of manoeuvres on the Falkland Islands in which more than 6 units participate.

Information

7) Four-monthly exchange of information on units based in the South West Atlantic South of the 45 degree South parallel.

8) Monthly exchange of information on periodic rotations of units envisaged in the South-West Atlantic South of the 45 degree South parallel to contribute to greater predictability of movements.

Prohibitions

9) Prohibition of transit and overflight of military vessels and aircraft less than 15 miles from the respective coasts.

10) Prohibition or regulation of movements which afford the risk of collision whether it be by dangerous proximity, close observation, excessively low over-flying or any other manoeuvre or action which might be interpreted as interference or harassment.

11) Prohibition of simulated attacks including the aiming of any arms system or the use of attack radars focussed on units of the other party.

12) Prohibition of clandestine movement by means of non-utilisation at night of position lights both on vessels and aircraft during the movements contemplated in (2).

13) Prohibition of interference or disturbance of any kind of the communications and detection systems of the other party.

II) SYSTEM OF DIRECT COMMUNICATIONS

The parties will designate the respective authorities for application of the reciprocal measures, indicating where they are located. The parties will agree a system of direct communication between the said authorities as well as the technical means of transmission in order to:

- reduce the possibility of incidents
- limit the consequences when they occur
- increase reciprocal knowledge of activities in the South-West Atlantic to avoid erroneous interpretations
- promote co-operation at technical levels

Supervision of the functioning of the direct communications systems will be in the hands of both foreign ministeries.

III) COMPLIANCE AND VERIFICATION

Verification of compliance with these reciprocal measures will be effected by combining national means of verification, the presence of observation units in the relevant cases, consultations through the direct communications system and - at the request of the party concerned - obligatory reception of verifying observers in situ in cases of contradictory information. If after using such procedures there still exists a disagreement over

compliance in specific cases there will be recourse to the diplomatic channel in order to solve the discrepancy.

IV) DURATION

The validity of reciprocal measures will be one year, during which diplomatic - technical meetings will take place to evaluate their working. On the expiry of this period their maintenance, modification or termination will be determined by common agreement.

V) MARITIME SEARCH AND RESCUE

The "International Convention on Maritime Search and Rescue" (Hamburg 1979) is in force for both parties. The co-ordinating rescue centre of the region is located in Comodoro Rivadavia. The parties will adopt measures to exchange information and co-ordinate actions in those emergencies which make it necessary, as well as to carry out joint exercises.

VI) OTHER RECIPROCAL MEASURES

- Exchange of information on safety of navigation for inclusion in warnings to navigators.
- To facilitate the working of the Comodoro Rivadavia flight information region it will be agreed to exchange information between the Islands and that centre so as to identify ships flying countries flags, to facilitate search and rescue operations, to exercise air control and to authorise the use of airports on the continent as an alternative emergency landing site for flights to and from the Falklands.
- Exchange of meteorological information.

MOD COMMENTARY ON ARGENTINE PROPOSALS FOR CONFIDENCE BUILDING MEASURESGeneral comment

The FIPZ is vital to our ability to be able to defend the Falklands with only the present small permanent garrison. If we were to consider dismantling the FIPZ we would require alternative arrangements which would provide the same level of security both against full scale assault and the possibility of "maverick" attacks - ie lesser military action (which might not be authorised by the Argentine government). The key to any such alternative arrangement would be a line around the Falklands which would be (and be understood by the Argentines) as a trip-wire for our defences if crossed by Argentine military units (it would be possible to have separate lines for aircraft and ships, with the latter closer to the Falklands).

The overall impression of the Argentine proposals is of a genuine attempt to provide a package of CBMS which would provide the UK with sufficient security to dismantle the FIPZ (as well as giving an appearance of reciprocity for their domestic political audience). There are many positive features but, as it stands, it does not provide a satisfactory alternative to the FIPZ.

The key deficiency with the package is that it envisages that Argentine military units would be allowed to enter the bulk of the area of the present FIPZ (up to 15 miles from the Falklands' coast) (proposals 1(2) and 1(9)), although they would be required to give advance notification. If the Argentines were prepared to accept a regime of prior authorisation (which would in practice not be given) rather than notification it might be possible to develop satisfactory alternative to the FIPZ out of the other elements of the package.

A few of the other Argentine military measures could be accepted in isolation (1(10)-1(13), see below); most of the others are potentially acceptable provided that they form part of an acceptable overall regime and/or subject to the acceptability of their interpretation in practice. Several proposed measures are conceptionally linked to 1(2) - which is certainly unacceptable in present form - and therefore not consistent with the present FIPZ.

Individual proposals

1(1) Interchange of visits to military bases and naval units

A number of potentially important points are unclear. Do the Argentines envisage visits to bases/units on the Falklands or in the UK? Are the visits intended to be purely "social" or by way of inspections? The latter is clearly unacceptable, but even social visits by the Argentine military in the Falklands themselves would be inappropriate.

1(2) Reciprocal 48 hrs advance notification of units proposing to go beyond 50 miles (sea) or 1000 miles (air) of respective coasts

Although the wording of the proposal is slightly ambiguous, the Argentines have subsequently made it clear that their proposal is that an Argentine unit would notify an intention to approach closer than the specified distances to Falklands coast (and not when it proposes to go more than 50 miles from Argentina) - with parallel restrictions on British units approaching the Argentine coast. We could not accept this because it is incompatible with the present FIPZ. It is, however, worth noting that a reciprocal arrangement along these lines but requiring prior authorisation rather than notification, might be the basis of a long term alternative to the FIPZ. (NB. The proposal to use

distances from coasts is particularly valuable.)

1(3) Voluntary reciprocal advance notification of concentration of more than 2 units less than 100 miles from coasts

This proposal is linked with the Argentine "notification zones" discussed above and is therefore effectively inconsistent with the present FIPZ (because Argentine units are in any case prohibited from virtually all the area described). On the other hand it could be a useful part of an otherwise acceptable post-FIPZ regime. For this measure, it would be essential to maintain the definition of units as surface units only (but neither side would want to declare submarines) and we would prefer to make it "2 or more" rather than "more than 2". There is also some doubt about the implications of "voluntary" notification.

1(4) Reciprocal advance notification of maritime manoeuvres less than 120 miles from respective coasts

Welcome in principle, but we would need to consider details closely. The subsequent Argentine clarification that the distance is 120 miles, not 220, means that this appears to add little to 1(3). In practice, it seems unlikely to affect UK military activity (as we are very unlikely to exercise 6 naval units) and our initial reaction is that there would be advantage in reducing the number of units qualifying (to catch more Argentine manoeuvres).

1(5) Reciprocal acceptance of observing units at manoeuvres covered by 1(4)

Initial reaction is that we could accept in principle but it is probably of little practical significance. Unlikely that UK manoeuvres would qualify and we would probably not wish to take up invitation to send unit to observe Argentines.

1(6) Advance notification of manoeuvres on Falklands involving more than 6 units

The general principle is probably acceptable, but much depends on clarification of detail - and what about reciprocity? What is the definition of a unit: eg a battalion or a platoon, an aircraft or a squadron. If the Argentines profess to be worried about an attack on the mainland, we should be able to provide reassurance through notification of exercises in some form. We should, however, demand appropriate reciprocity - this might be (eg) notification of amphibious exercises and or exercises in a certain area (clearly we could not ask for all exercises in Argentina). Further study essential.

1(7) Four monthly exchange of information on units based in SW Atlantic south of 45 S

Possible in principle and there could be advantages from more information about Argentine units but very careful study of detail required. We do not wish to reveal details of our own capabilities which are not otherwise readily apparent. Does this mean naval units only? (We could probably accept naval (surface) units without difficulty.) There could well be advantage to UK in covering Argentine air/ground units in broad terms, but not if this would require us to give too much detail about our own units.

1(8) Monthly exchange of information on rotations in SW Atlantic south of 45S

Similar problems of definition to 1(7) - depending on level of information this proposal could be difficult, especially if combined with 1(7).

1(9) Prohibition of transit/overflight within 15 miles of respective coasts

In principle acceptable (indeed highly desirable in any regime which might replace the FIPZ).

1(10) Prohibition of dangerous movements etc

Perfectly acceptable now (although largely irrelevant) and highly desirable for any post-FIPZ regime.

1(11) Prohibition of simulated attacks etc

Welcome now; indeed UK ROE already prohibit this. (NB: only past case involved Argentine ship "locking on" UK aircraft).

1(12) Prohibition of clandestine movement etc

Welcome now. Already UK practice (NB: no need to link 1(2), it should be general practice).

1(13) Prohibition of jamming etc

Welcome unreservedly.

II System of Direct Communication

Acceptable in principle - indeed, also a UK proposed CBM. (NB. It might be preferable, at least to start with, for the link to be not solely military).

III Compliance and Verification

The intention behind this might be acceptable but much would depend on the details of other measures agreed and it is doubtful whether we would want to use "treaty language" of the sort. Perhaps set aside for possible consideration at a much later stage of any negotiations.

IV Duration

We do not want a set of measures which would lapse after a

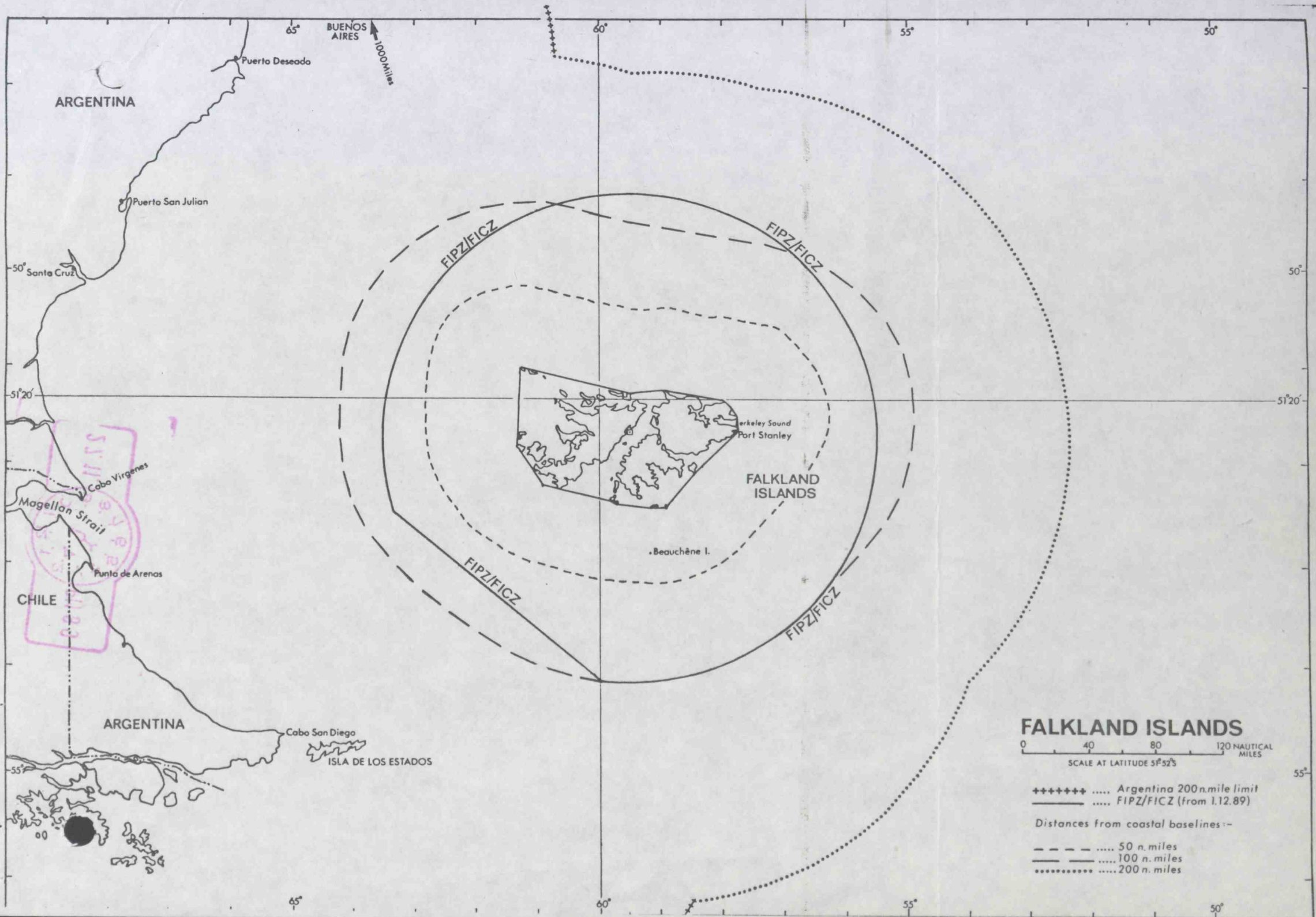
specified time. We could agree to periodic review with changes by mutual agreement (ie both sides would have effective veto on further changes).

V Maritime SAR

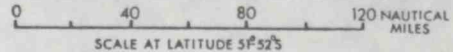
Parallels UK proposed CBM. Entirely acceptable now.

VI Other Reciprocal Measures

Entirely acceptable now. It is significant that Argentines are prepared to allow emergency diversion (presumably including trooping flights) to their airfields but have not asked for reciprocal facilities. This suggests negotiation in good faith: they would have no genuine need for reciprocity (because no Argentine flights pass near Falklands) and we would have to oppose it because of the risks of abuse.



FALKLAND ISLANDS



- +++++ Argentina 200 n.mile limit
- FIPZ/FICZ (from 1.12.89)

Distances from coastal baselines :-

- 50 n. miles
- 100 n. miles
- 200 n. miles

ARGENTINA: Relatores

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