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D/DS5/3/5/71

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ILLEGAL LANDING ON SOUTH GEORGIA

1. When I saw US of S(AF) earlier-today I undertook to let you have a note summarising developments on the South Georgia affair since my minute of 23 March.

Wednesday, 24 March. In the meantime, a telegram had been received from our Ambassador in Buenos Aires, reporting the reaction of the Argentine Foreign Minister to the news that ENDURANCE was to be used to remove the party Senor Costa Mendez said that this would cause him to lose control of events and undertook to explore ways in which the Argentines themselves could arrange the withdrawal of the party. The Foreign and Commonwealth Secretary therefore asked that ENDURANCE should proceed to Grytviken, where the BAS party is based, rather than to Leith itself, to await further instructions.

3. An Argentine Ice Patrol ship, the BAHIA BARAISO, arrived at Leith yesterday, and subsequently sailed early this morning. It has not yet been possible to say whether the party had been embarked; yesterday there were reports that the ship was actually landing equipment.

4. In the meantime, there has been further diplomatic activity in Buenos Aires designed to produce a face-saving formula which will somehow legitimise the presence of the party perhaps through their registering formally at Grytviken. The Foreign and Commonwealth Secretary has asked that ENDURANCE should remain for the time being at Grytviken and maintain a low profile. However, she has only 21 days stocks of fresh and frozen food. It is not impossible that the present impasse could persist for as long as that, if not longer. Unless

therefore the withdrawal of the party is effected by Monday morning, it will be necessary to despatch the RFA FORT AUSTIN from Gibraltar to replenish ENDURANCE. This will also serve the purpose of reproviding ENDURANCE with stores. The Uruguayan Government are exhibiting some uneasiness about being seen to assist our military presence in the Falklands - we have now succeeded in making alternative arrangements to bring in the relief Royal Marines Garrison through Montevideo onboard the BAS ship JOHN BISCOE, but it was a close-run thing - and, depending on the outcome of the present affair, there might have been difficulties about ENDURANCE taking on additional stores at Montevideo. US of S(AF) has now agreed to the Foreign Secretary's request that plans should be made to sail FORT AUSTIN next Monday.

- 5. When we spoke earlier this morning, you told me that the Secretary of State, when discussing the matter with US of S(AF) earlier today, had asked that the Naval Staff should earmark frigates which could be sent to the South Atlantic should the need arise; and that, as a useful precaution, arrangements should be made to ensure that sufficent supplies would be avaiable to sustain an enhanced naval presence in the South Atlantic and that this should be taken into account in storing FORT AUSTIN. This is being set in hand—
- next Monday. It would be possible for the retiring party to be embarked on the JOHN BISCOE and brought back to the UK. However, the Foreign Secretary has now asked that the retiring party should remain in the Falklands for the time being, thus effectively doubling the size of the garrison (some members of which are embarked at present on ENDURANCE). This represents a low key but useful strengthening of our military presence in the Falkland Islands and would also serve to reassure local feelings. I should be grateful for US of S(AF) s agreement.

26 March 1982

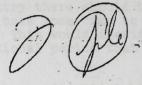
N H NICHOLLS-Head of DS 5

PS: Since the above was dictated, a signal has been received from HMS ENDURANCE, timed 1450Z today, reporting that members of the Argentine party are still ashore and that stores and equipment have been disembarked.

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PS/US of S(AF)

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FALKLAND ISLANDS: HMS ENDURANCE

In his MO 5/2 of 24 March, APS/S of S asked for advice on the Foreign Secretary's minute of 24 March. I understand that thas been agreed that US of S(AF) should reply.

Head of DS 11 is minuting you separately about the first point raised by Lord Carrington: the advance circulation of the contingency paper by officials on the defence of the Falklands.

This minute addresses the issue of HMS ENDURANCE.

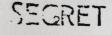
- The ship is planned to commence her return passage to the UK on 4 April and to arrive in the UK, probably Portsmouth, on 20 May. Thereafter her eventual future remains to be settled. As you know, the Secretary of State has opted against selling her to Brazil and this will effectively mean that she will have to be taken off the Sales List. The alternatives would be either to scrap her or to place her in reserve. Either way it would take about six weeks to prepare her for disposal. If it were decided to retain the ship in service, different considerations, discussed below, would apply.
 - Against this background, it would be possible to retain the ship on station until about 20 April and, by sending her on a more direct homeward route, for her to arrive in the UK on her planned date. Deferment until about early June should still be possible without running into significant difficulties. The major problem is one of personnel, as a large proportion of the ship's company are due to leave the ship in August. The implications of deferment beyond early June would have to be

explored further.

- 5. There is, however, a more fundamental problem. This is that, were the decision to pay the ship off rescinded, it would be necessary to make very early arrangements for her annual maintenance and to appoint a ship's company, if she were to deploy to the South Atlantic as usual in the autumn. Depending on the basis on which the ship were reprieved, ie whether for merely a year or for a longer period, a refit might have to be put put to commercial contract; and although with the depressed state of the ship repairing industry there should be no difficulty in finding a contractor it might take some time to go to tender and actually place the contract. This would inevitably impose a further constraint on the additional period that the ship could spend on station.
- 6. Work is in hand, on a strictly confidential basis, to determine the practicalities of retaining the ship in service, leaving on one side who should pay. But from the defence point of view there is every reason to resolve the question of ENDURANCE's future very soon indeed. I understand that on present plans it is unlikely that the paper on the Falklands, and with it consideration of HMS ENDURANCE, will go to OD before the end of April. For the reasons mentioned above, we need to settle HMS ENDURANCE's future before Easter, if necessary in advance of discussion of the general issue of the Falklands.
- Secretary. This sets out the practical implications of retaining ENDURANCE on station; indicates that contingency plans are being made to delay the ship's departure from the South Atlantic; asks that the FCO should say by early next week whether they wish the ship to be held back; presses for an early OD discussion to resolve finally ENDURANCE's future; and puts down the necessary marker that financial provision to run the ship on should be found from the same source as that for the other contingency measures which might be needed to support the Falklands in the event of a breakdown of negotiations with Argentina. It also refers to the planned sailing, agreed by US of S(AF), of the stores support vessel FORT AUSTIN from Gibraltar next Monday 29 March, at the request of FCO Ministers, against the possibility that ENDURANCE will need to remain in South Georgia for another two or three weeks.

26 March 1982

N H NICHOLLS Head of DS 5



SECRET