

FM BONN 151545Z APR 62

TO IMMEDIATE FCO

TELEGRAM NUMBER 331 OF 15 APRIL

INFO PRIORITY PARIS UKREP BRUSSELS WASHINGTON UKMIS NEW YORK  
INFO SAVING BRUSSELS ROVE COPENHAGEN DUBLIN LUXEMBOURG THE HAGUE  
ATHENS OTTAWA WELLINGTON CANBERRA

ENCL No.  
66

YOUR TEL NO 12 TO BIS BUENOS AIRES: ARGENTINE TRADE SANCTIONS  
AGAINST UK/OTHER COUNTRIES

1. THE GERMAN EMBASSY IN BUENOS AIRES REPORTED TODAY TO THE MFA  
AN ARGENTINE GOVERNMENT ANNOUNCEMENT THAT WITH IMMEDIATE EFFECT  
NO MORE IMPORT LICENCES WOULD BE GRANTED TO SUPPLIES FROM EC  
COUNTRIES, EXCEPT FOR VITAL GOODS SUCH AS SPARE PARTS AND MEDICAL  
SUPPLIES. THE ARGENTINE STATEMENT APPARENTLY CLAIMED THAT ARGENTINA  
WAS ACTING QUOTE ACCORDING TO THE PRINCIPLE OF RECIPROCITY UNQUOTE,  
AND WOULD COUNTER POINT FOR POINT ANY TRADE MEASURES TAKEN AGAINST  
HER. MFA HAD NO INFORMATION ABOUT WHETHER ARGENTINA WAS ALSO  
TAKING IMMEDIATE ACTION AGAINST AUSTRALIAN, NEW ZEALAND OR  
CANADIAN IMPORTS.

2. THE ACTING HEAD OF THE MFA SOUTH AMERICA DEPT (EDERER) SAID THAT  
ARGENTINA WAS THE FEDERAL REPUBLIC'S THIRD LARGEST MARKET IN LATIN  
AMERICA AFTER BRAZIL AND MEXICO. TOTAL TWO-WAY TRADE IN EACH OF  
1960 AND 1961 HAD BEEN IN THE ORDER OF DM 3,500 MILLION. GERMAN  
EXPORTS WERE MOSTLY CHEMICALS, FERTILISERS MACHINERY AND PLANT,  
AND WERE THEREFORE UNLIKELY TO FALL WITHIN THE DEFINITION OF  
QUOTE VITAL GOODS UNQUOTE WHICH MIGHT BE EXEMPTED FROM THE IMPORT  
BAN. EDERER ALSO EXPRESSED CONCERN ABOUT GERMAN INVESTMENT IN  
ARGENTINA, WHICH STOOD AT DM 970 MILLION IN SEPTEMBER 1961.  
HE ADDED HOWEVER, THAT ARGENTINA'S MEASURES WERE UNWELCOME BUT NOT  
UNEXPECTED. THE FRG HAD NATURALLY FORESEEN THEM WHEN AGREEING TO TAKE  
ACTION ON ARGENTINIAN IMPORTS.

FCO PLEASE PASS SAVING AND REPEAT TO BIS BUENOS AIRES IF REQUIRED.  
TAYLOR

PCO

REPEATED AS REQUESTED

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