



c LCO MOD CAL  
 HMT WSO CO  
 WPO DTI MAF  
 PC

10 DOWNING STREET

From the Private Secretary

19 December, 1985.

Dear Len,

**FALKLAND ISLANDS: FISHERIES**

The Prime Minister has considered the Foreign Secretary's minute of 17 December in which he takes stock of the action in hand to seek a multilateral conservation and management regime for fisheries in the Falklands waters.

The Prime Minister agrees with the Foreign Secretary that we should continue to seek a multilateral regime, while accepting that the situation may deteriorate to the point where we have no option but to move to a unilateral regime. She agrees that we must exert strong pressure on Japan and South Korea to exercise voluntary restraint. She is ready to send messages to this effect if appropriate.

I am copying this letter to the Private Secretaries to members of OD, to the Private Secretary to the Minister of Agriculture and to Michael Stark (Cabinet Office).

Yours sincerely,  


(C.D. Powell)

L.V. Appleyard, Esq.,  
 Foreign and Commonwealth Office.

CONFIDENTIAL

dg

010

①



RPC

PM/85/104

PRIME MINISTER

Prime Minister  
Agree that we should  
go on seeking a  
multilateral regime,  
unless over-fishing continues  
to the point where we have  
no option but to go  
unilateral?

Yes

Falkland Islands: Fisheries

CDP  
10/11

1. The new fishing season in the waters around the Falklands opens in the New Year. The fishing effort will be more intensive than ever, and pressure on us from some quarters to impose a unilateral regime is likely to mount. It is therefore timely to take stock of the action we have in hand, and the options open to us.

2. When we agreed in OD in February to pursue vigorously the multilateral approach, we recognised that it would be a slow process. But we concluded that it offered a better way to achieve our objectives than the financial, political and military risks of imposing a unilateral regime.

3. Since then we have worked hard to bring the FAO to accept that they should take the lead in promoting agreed international arrangements to prevent overfishing in the South Atlantic. We have made a good deal of progress. The FAO have approached all those concerned, and all have agreed, including the Argentines, that the FAO should undertake a study of the fishery. FAO officials will visit the capitals of all the main fishing nations as well as London and Buenos Aires early next year. This is an indispensable first step towards achieving a multilateral conservation and management regime.

4. It was by no means a foregone conclusion that the Argentines would agree to cooperate. We heard in October that they were

/trying





trying to make their own bilateral arrangements with the fishing nations, thereby purporting to regulate fishing in Falklands waters. We immediately took preemptive action to warn the fishing nations that they stood to lose if they precipitated a confrontation over fishing in the area by signing up bilateral agreements with Argentina which cut across our sovereign rights in the area. Since then, the Argentines do not seem to have taken this further.

5. We shall keep up the pressure on the FAO to complete their study as soon as possible, but even so it is apparently unlikely to be ready until June. The next hurdle will be to persuade the Argentines to cooperate in the negotiation of a multilateral regime. We should have no illusions that this will be either easy or rapid. We shall continue to do all we can to persuade them and other Latin American countries that we are approaching the FAO initiative as a practical solution, which is entirely without prejudice to the question of sovereignty: we hope Argentina will do likewise. When I tackled the Uruguayan Foreign Minister on this subject recently, I found him very worried about the implications for his own country of exhaustion of the fish stocks. The Uruguayans will certainly be urging the Argentines to cooperate, and should be of some help to us.

6. But all this is moving too slowly to affect the 1986 fishing season. I have been disturbed to learn that the fishing effort is likely to be considerably stepped up this year. In particular the number of vessels fishing for squid, mainly from Japan and South Korea, may triple. We have urged both strongly at high level to exercise voluntary restraint. They are reluctant to accept that they have any power to direct their fishing fleets, but we shall continue to impress on them that it is not in their own interest to destroy the fishery by a sudden and massive increase in fishing. I am sending messages in this





sense to my Japanese and Korean colleagues, and asking the Russians and Americans to reinforce our approaches.

7. In our campaign we can draw on recent expert advice that the prospective fishing increase poses a very severe threat in particular to squid stocks. It is also likely to depress squid prices, which will interfere with a complex bartering arrangement involving British fishing firms and fish from British waters. Quite apart from the conservation argument there is, therefore, a domestic economic interest in achieving restraint in squid fishing, and the UK fishing companies have been at the forefront of the pressure for a unilateral regime.

8. But a unilateral solution remains as fraught with difficulty as when we considered it at OD in February. Even on the most optimistic assumption, licensing revenue would only exceed the costs by about £1 million. If unilateral action by us was challenged by one or more of the fishing nations, the costs of enforcement would rise substantially and would soon exceed licence revenue. It would be tempting politically for the Soviet Union to back up their trawlers with a naval presence (a useful way of earning credit with the Argentines); and a unilateral limit would in addition risk renewed military confrontation with Argentina, who might feel that they could not leave such a direct assertion of our sovereignty uncontested.

9. That said, we have to recognise that the situation may, despite all our efforts, deteriorate to the point where we had no option but to move to a unilateral regime. Officials in the Departments concerned have therefore made detailed contingency plans so that a unilateral regime could be imposed very quickly if necessary, although Ministers would have to resolve the question of how the costs would be apportioned.

/10. I have



10. I have reviewed the position carefully and believe that for the present we are right to continue to pursue the multilateral approach, while pressing the fishing nations as hard as possible to exercise voluntary restraint in the period before agreed arrangements to protect the fishery are in place. But we shall have to watch developments very closely and be ready to act swiftly to impose unilateral arrangements if we judge that the benefit would outweigh the very considerable risks.

11. I am copying this minute to our colleagues on OD, to Michael Jopling and to Sir Robert Armstrong.

A handwritten signature in black ink, appearing to be 'G. Howe', written in a cursive style.

(GEOFFREY HOWE)

Foreign and Commonwealth Office

17 December 1985