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MINISTRY OF DEFENCE

MAIN BUILDING WHITEHALL LONDON SW1A 2HB

Telephone 01-218 2111/3 (Direct Dialling)

01-218 9000 (Switchboard)

MO 26/9/18

9th November 1982

Dear John,

VISIT BY THE PORTUGUESE VICE
PRIME MINISTER

/Kdy A I am attaching a brief on UK Portuguese Defence relations for the Prime Minister's meeting with Professor do Amaral. As you will be aware he intends to raise with the Prime Minister the question of aid with the Portuguese Frigate Project. This is fully covered in the briefing.

Yours ever,

Gene Ridley

(J E RIDLEY)(MISS)

A J Coles Esq

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CALL BY PORTUGUESE VICE PRIME MINISTER

Military Aid

You have requested a grant of \$49 million to buy six Lynx helicopters as part of your frigate project. We are still examining your request. We shall let you know our decision as soon as possible.

Your people should talk to Westlands about Lynx. MOD will assist in talks. Confident that preferential credit terms and substantial training assistance can be made available.

Falklands

Grateful for your political support and for allowing overflights of Madeira (if necessary - this is of course what we would expect of an ally).

EC/Portugal

Good progress in accession negotiations. Glad textile regime resolved - considerable concessions by UK.

Want Portugal in EC as soon as possible. Understand that if Spanish negotiations protracted you will not wish to be held back. First thing is to get your negotiations completed. Should be possible next year. Can then judge how far off completion of Spanish negotiations is.

East Timor

We expect to abstain on the UN Resolution together with our EC partners. But we shall try to make an explanation of vote which is helpful to you (by recognising that you have made a genuine effort to be constructive and by expressing hope that the Resolution will produce a solution acceptable to all parties concerned.)

/Resolution still

Resolution still contains some problems for us. Refers to Portugal as the administering power and seems to imply that self-determination must lead to independence. Do you really expect an independent East Timor?

If necessary - not the same as the Falklands. People in East Timor do not wish to stay Portuguese. Portuguese accounted for less than one per cent of the population of East Timor.

Compensation for British Farmers

Understand that nine claims are still outstanding for property expropriated from British farmers in 1975. Please do all you can to settle these quickly.