

SECRETB.I.O.T. WORKING PAPERSPaper No. 1: General BackgroundGeneral

The Territory was created under Order in Council in November, 1965 by separating the islands of Aldabra, Desroches and Farquhar from Seychelles and the Chagos Archipelago from Mauritius. It is intended that the Territory will remain available for joint U.K./U.S. defence use, and an Exchange of Notes in December 1966 between the British and United States Governments was published in April, 1967 (Cmd 3231) setting out the agreement between the two Governments over the availability of the Territory for defence purposes. The period of agreement is 50 years. A joint survey of Aldabra was made at the end of 1966 and of Diego Garcia (Chagos) in mid-1967. Proposals to establish a joint U.K./U.S. staging facility on Aldabra were abandoned in November, 1967 as a result of U.K. defence cuts.

2. The population of the Territory (at present about 800 Chagos and 150 in the other islands) consists almost entirely of labourers and their families on copra plantations at Desroches, Farquhar, and on Diego Garcia, Peros Banhos and Salomon in Chagos (see Working Paper No. 3 for detail about the people of Chagos). The land, with the exception of Nelson Island, has been purchased by the Crown and the plantations on Farquhar and in the Chagos Archipelago are at present run by Seychelles management agents for Commissioner B.I.O.T. Desroches is leased to and managed directly by the former owner of the island. The Territory is administered by a Commissioner (who is also Governor of Seychelles) and an Administrator.

3. The Chagos Archipelago portion of B.I.O.T. is a scattered area of small atolls and islands lying 1,020 miles east of Seychelles, 420 miles south of Gan and 1,200 miles north east of Mauritius. The archipelago covers an area of 22,000 square miles and the distance from the northern tip (Peros Banhos) to the southern (Diego Garcia) is about 120 miles (see map).

Historical Background

4. In October, 1962 H.M.G. agreed to study the use of British bases in time of war by U.S. forces, and in April, 1963 the U.S.

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State Department proposed that the strategic use of certain small British-owned islands in the Indian Ocean should be discussed. H.M.G. agreed, and in August, 1963 expressed interest in establishing a military communications station on Diego Garcia. Talks were held in London in February, 1964 and the agreement reached can be summarised as follows:-

- (i) there should be an early joint survey of certain islands in the Indian Ocean to consider defence suitability and necessary administration and resettlement arrangements;
- (ii) U.S. to pay for construction and maintenance of facilities, allowing U.K. joint use. First requirement to be Diego Garcia;
- (iii) U.K. to provide land and security of tenure by detaching islands and placing them under direct U.K. administration, and be responsible for payment of compensation to Mauritius and Seychelles Governments and to land owners and displaced inhabitants;
- (iv) consultation between two Governments if U.K. wished to construct facilities.

These proposals were accepted in principle by Ministers in April, 1964.

5. Agreement with Governments of Mauritius and Seychelles to the proposed survey followed and the survey of Chagos Archipelago, Desroches and Farquhar took place in July/August, 1964.

6. In January, 1965 the U.S. Government submitted proposals for the use of the islands and confirmed that Diego Garcia was 'a definite requirement' with potential use for Aldabra as a staging post, and that there was no reason to relocate the population prior to the island coming into use to meet a requirement. This was applicable to other islands of the Chagos Archipelago so long as U.S. activity was confined to Diego Garcia. In April, 1965 Ministers accepted the general lines of the U.S. proposals and decided to seek an American contribution to the cost of detaching the islands. Following talks in London the U.S. Government agreed on a secret basis to contribute by offset on other programmes half the estimated cost of £10m. of detaching the islands.

7. Negotiations with the Governments of Seychelles and Mauritius followed during which agreement was reached on conditions and compensation for detachment. The agreements reached with Mauritius

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are dealt with in Paper No. 2. In the case of Seychelles, compensation took the form of the provision of an airfield by H.M.G. In November, 1965 both Governments agreed to detachment and the new territory was established by the British Indian Ocean Territory Order in Council 1965. This established the new Territory consisting of the Chagos Archipelago, Aldabra, Farquhar and Desroches and provided for its administration by a Commissioner and an Administrator.

8. At the same time U.K./U.S. talks between officials in London reached final agreement on the text of Exchange of Letters on B.I.O.T. defence arrangements. The U.S. side agreed that while the original intention was to use the islands for defence needs free of inhabitants, situations might arise when it was feasible to make use of the islands without either partial or total removal of the inhabitants. The following U.K./U.S. Agreements were signed in December, 1966:-

- (a) U.K./U.S. Exchange of Notes concerning the Availability for Defence Purposes of the British Indian Ocean Territory. (Cmd 3231).
- (b) Secret Exchange of Notes covering agreement of financing.
- (c) Exchange of Notes on Seychelles Satellite Tracking Facility. (Cmd 3232).

Aldabra

9. After the abandonment of the Aldabra project it was agreed (in June, 1968) to allow a Research Station to be established on Aldabra on behalf of the Royal Society. The island is to be classed as a nature reserve. The Research Station will be financed by the Royal Society and is expected to be built in 1969. A small party is already stationed on the island.

Farquhar

10. In January, 1968 the Americans expressed interest in an alternative to the Turkey/Iran route for access to the Indian Ocean and the South East Asia Area and for this purpose a staging airfield in the Aldabra/Farquhar area for use in connexion with Ascension by long-range transport aircraft of the future was thought to be of value. In March, 1968 the Americans were told by H.M.G. that there were no objections to a survey of Farquhar and arrangements were made for this to take place in September, 1968. Following difficulties over the use of Mombasa and Port Louis for basing the expedition, the Americans decided to cancel this survey. In January, 1969 however they indicated they might wish to reactivate it this year and the question of mounting the survey is being

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considered.

Diego Garcia

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11. In July, 1968 the U.S. Government informed us that the Department of Defence proposed to proceed with the development of an austere naval facility on Diego Garcia in accordance with the 1966 Exchange of Notes. This has now been agreed by the new U.S. Administration subject to Congressional approval and the cost of the project has now been included as a 'classified line' in the Defence Budget request presented to Congress at the end of January, 1969. Confidential hearings in Executive Session are expected to be held in late April or early May. If the finance is approved construction work could commence early in 1970. It would cost about \$26m. plus \$1m. for communications equipment, would take 36 months to become operational and 48 months to complete. When Congressional approval is given there will be discussions in detail with the Americans to establish timing and general arrangements in connection with the establishment of the facility.

12. The U.S. Government have asked for the people on Diego Garcia to be evacuated. They have said that while they would prefer all the Chagos islands to be cleared they will not raise any objection to relocation of people from Diego Garcia in Peros Banhos and Salomon provided that those atolls remain available for use at any time. The problem of the people is dealt with in detail in Working Papers 3, 4 and 5.

P.I.O.D.
March, 1969