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and a U. S. survey of certain Indian Ocean Islands in July and August of 1964, the State Department is now ready to approach the U.K. government with specific proposals regarding detachment of Diego Garcia, the remainder of the Chagos Archipelago and perhaps one other island of the Seychelles group.

- The British government has recently indicated that political problems inherent in any detachment process will limit their action to those islands for which the U.S. has a specific requirement.
- 3. Our single firm requirement is for a site for a DCA/ Navy communication station (Project Kathy). The survey referred to above indicated that Diego Garcia would be excellent from the standpoint of reception and propagation. In addition, we are anxious to place this island in our "strategic island" stockpile because it has a great deal of potential to support in-area naval operations should they be required in the future.
- The JCS have on several occasions referred to the communication station as representing an "urgent" requirement. State Department personnel have therefore assumed that we could proceed with its construction immediately upon completion of the political action. Actually the first stage of this project is currently programmed for the Fiscal Year 1967 budget. It was deleted by Congressional action from the FY 1964 budget because there was no firm base rights agreement in effect for a specific site at that time.
- It is essential that we proceed in this matter, since the island of Mauritius, which currently controls Diego Garcia and the remainder of the Chagos Archipelago, is scheduled to become independent during mid-1965. State

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DEPARTMENT OF THE NAVY OFFICE OF THE CHIEF OF NAVAL OPERATIONS WASHINGTON 25, D.C.

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MEMORANDUM FOR THE CHIEF OF NAVAL OPERATIONS

Subj: Communication Station, Indian Ocean Area (U)

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- 1. As a result of a conference in London last February and a U. S. survey of certain Indian Ocean Islands in July and August of 1964, the State Department is now ready to approach the U.K. government with specific proposals regarding detachment of Diego Garcia, the remainder of the Chagos Archipelago and perhaps one other island of the Seychelles group.
- 2. The British government has recently indicated that political problems inherent in any detachment process will limit their action to those islands for which the U.S. has a specific requirement.
- 3. Our single firm requirement is for a site for a DCA/Navy communication station (Project Kathy). The survey referred to above indicated that Diego Garcia would be excellent from the standpoint of reception and propagation. In addition, we are anxious to place this island in our "strategic island" stockpile because it has a great deal of potential to support in-area naval operations should they be required in the future.
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- 5. It is essential that we proceed in this matter, since the island of Mauritius, which currently controls Diego Garcia and the remainder of the Chagos Archipelago, is scheduled to become independent during mid-1965. State

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Department however, feels we should not press the British if we are not prepared to implement any construction actions for 2 years or more. State may therefore request that DOD re-program this project into the FY 66 budget.

- 6. It is not considered feasible to take re-programing action at this late date. Further, even if this project could successfully be introduced into the FY 66 budget, it is believed that Congressional approval in the absence of a firm base rights agreement would be extremely unlikely.
- 7. It is recommended therefore that if some overt action is required to demonstrate our interest to the U.K. government, it be limited to preliminary, minor construction items that could be handled by USN construction personnel and funded from sources other than MILCON, if practicable.

Peputy Chief of Naval Operations (Plans and Policy)