DEPARTMENT OF THE NAVY OFFICE OF THE CHIEF OF NAVAL OPERATIONS WASHINGTON, D.C. 20350

IN REPLY REFER TO

Op-61FS/gsb Ser 001781P61

\$ 1 AUG 1966

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MEMORANDUM OF INFORMATION FOR THE SECRETARY OF THE NAVY

Subj: Diego Garcia Naval Facility (S)

(1) Draft letter to Mr. Kitchen with attachment Encl:

- 1. Following your conversation with the Secretary of Defense on 5 August concerning Aldabra and Diego Garcia, we have been in consultation with ISA on the question of informing the British of the Secretary's decisions.
- 2. A letter to Mr. Kitchen has been prepared for Mr. Lang's signature outlining the decisions and asking him to convey this information to the British Embassy. Enclosure (1) is a copy of the draft letter and its attachment. Mr. Kitchen met with me and representatives of ISA and the Air Force this afternoon to discuss the letter and to review the status of the Aldabra and Diego projects. He is convinced that we must move as rapidly as possible with the British because he believes the change in Foreign Ministers may mean a less favorable attitude to a continued British presence east of Suez. He intends therefore to send the letter to the British Embassy today.
- 3. Meanwhile, the Program Change Proposal you approved on 5 August has been circulated within OSD and the JCS. We have briefed the appropriate officers on the background and do not at this point anticipate any difficulties.
- 4. On a related subject, the Director of the Office of Foreign Military Rights Affairs (OSD), Mr. Bronez, has circulated the latest UK drafts of the agreements on access to and use of the islands. There are a number of points of difference and while none of them is serious, it now appears that further talks either here or in London will be necessary to work out an agreed final text. It is always hazardous to forecast the timing on base rights negotiations but I am hopeful that these can be completed in the early fall.
- The foregoing paragraphs are classified Secret.

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DRAFT

Mr. Jeffrey C. Kitchen
Deputy Under Secretary for
Politico-Military Affairs
Department of State
Washington, D. C. 20520

Dear Jeff:

Secretary McNamara has approved accepting in principle the British proposal for a jointly financed facility on Aldabra. He has also approved informing the British that we are examining the possibility of austere naval support facilities, including an air strip, on Diego Garcia.

I have prepared the attached draft letter which sets forth in somewhat greater detail the position taken by the Secretary on both projects. I hope that you will find the draft useful in replying to Mr. Trench's letter of July 15, 1966. Either I, or Ray Bronez, will be delighted to be of whatever further help we can.

Sincerely,

PROT AUSTRALY

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DRAFT

Mr. N. C. C. Trench The British Embassy Washington, D. C.

Dear Mr. Trench:

I am writing in response to your letter of July 15th in which you confirmed our earlier discussion about British thinking on the development of Aldabra. I am pleased to advise you that my Government is prepared to accept in principle the proposal for a jointly financed air-staging facility at Aldabra, on the understanding that the United States would have the right to share in the use of the facility. In this regard, the United States Air Force is ready to participate in the detailed planning with HMG representatives, including the surveys proposed for September.

I would also like to take this opportunity to say that my Government is examining the possibility of establishing an austere naval support facility on Diego Garcia Island that would include POL storage, an air strip and supporting communications. Accordingly, we would like to undertake an engineering survey of Diego, hopefully in September or October. We request your concurrence and, of course, would welcome your participation. While we are only concerned at this time with making an engineering survey, should a decision be made to proceed with the facility we would of course be interested in exploring financing and use arrangements with HMG.

Sincerely,

SECRET (Jeffrey C. Kitchen)