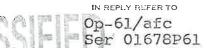
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DEFARTMENT OF THE WAVY

OFFICE OF THE CHIEF OF NAVAL OPERATIONS

WASHINGTON, D.C. 20350



MEMORANDUM FOR THE VICE CHIEF OF NAVAL OPERATIONS

Subj: Status Report on Diego Garcia (U)

- 1. (U) The following report is a summary of the current status of the significant outstanding international problems related to Diego Garcia rather than an account of developments in the last 24 hours. Because most of these matters are now being negotiated with other countries by a complex series of messages, it is likely that there will be few items to report on a daily basis in the future. Therefore, unless otherwise directed, this report will be changed to a weekly requirement to be delivered to your office each Friday.
- 2. (C) Relocation of the copra workers is proceeding in a satisfactory manner. The Administrator of the BIOT has given his assurance that the three small settlements on the western half of the atoll will be moved immediately to the eastern half. All copra producing activities on the western half will also cease immediately. The BIOT ship NORDVAER is relocating people from Diego Garcia to Peros Banhos, Salomon Islands, and the Seychelles on a regular basis. The entire move will be accomplished by the end of July. Our estimate is that this plan is the best possible for earliest evacuation of Diego Garcia with a minimum of publicity. Since this issue is well on track, special biweekly reports will be terminated, but we will continue to report to you on a weekly basis.
- 3. (C) All concerned foreign authorities have been informed that we will not hire any local labor for work on Diego Garcia. There has been no sharp objection to this policy. Our acceptance of the BIOT plan for relocation has helped to ease the acceptance of the policy of no hiring.
- 4. (C) The negotiation of the service level arrangement between the Navy and the UK Ministry of Defense (MOD) is commencing in London with a meeting between the British, the Embassy and CINCUSNAVEUR scheduled for 22 January. The UK Defense and Foreign Ministries have proposed, and we have concurred, that they attempt a first draft of the detailed service-to-service agreement to be sent to Washington for our comments. Among other subjects, this draft will set forth the British position on the relationship between the

GROUP 4
Downgraded at 3 year
intervals; declassified
after 12 years



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senior Royal Navy Officer and the Station Commander. Per your note of 16 January, the Royal Navy Officer may be called "Officer in Charge of the Island" or "Island Administrator" or some other term desired by the British. Our point in preliminary negotiations has been that the senior British officer should be responsible for the discipline of the Royal Navy personnel and for necessary civil administration but he should be junior to the Station Commander and functionally subordinate to him. The UK Foreign and Defence Ministries seem in accord with this idea but have indicated a concern that he be given a real function within the operational framework of the station. In any case, after the receipt of the draft agreement from the British we will be in a position to work out the exact nature of the relationship and the titles of the respective positions.

- 5. (C) Navy has now released a draft message to Embassy Port Louis requesting an economic survey to determine whether fresh provisions for the Diego Garcia facility can be purchased on Mauritius. If the purchasing program is feasible we would plan to station one or two USN personnel on Mauritius to oversee the program and handle mail for the construction forces. Another message is being prepared to give details of the staging operations to Embassy Canberra to complete the requirements for obtaining Australian approval for staging through Cocos Island.
- 6. (C) The above relates the current status of the important outstanding problems. In addition to a weekly status report, I will inform you immediately of any significant developments.
- 7. (U) In order to be responsive to the CNO's request for bi-weekly reports on copra worker relocation, it is suggested that copies of this weekly report be forwarded to him.

Walter J. Dwalls

Copy to: Op-06 Op-04 Op-094 WALTER B. S. M. Politica-Lilitary Policy Division Director, Politica-Lilitary Policy Division



ACTION: VADM BLOUIN (OP-06) ASSIST: VADM SHIFLEY (OP-04) CUPY TO: OP-03/90/090/092/094/00G

SUBJECT: Memorandum of Understanding on Diego Garcia (U)

PROBLEM/DECISION:

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- 1. During the CINC's Conference, Admiral Wendt stated that the British desire a Memo of Understanding on Diego Garcia and are willing to execute it on a Service to Service basis. Admiral Wendt indicated the need for authorization to go ahead with the execution of such a Service to Service agreement and that the CNO's guidance on details which should be included in the agreement is needed.
- 2. The CNO has requested that appropriate guidance be provided to Admiral Wendt as soon as possible.

ACTION REQUESTED: Please provide appropriate guidance to Admiral Wendt. Please advise when action is completed, with a SITREP by 11 February if not completed by then.

> R. W. COUSINS VIOR CHURS OF BAVAL OF BRAIT ONS

CONTINUED ON ATTACHED PAGE

X syll February provide memo/SITREP.

ARRANGE THROUGH OP-005 FOR A MAGES BRIEFING FOR CNO VONO CH ABOVE.

PRESENT PROSICENS ON THE ABOVE AND LIST ALTERNATIVE COURSES OF ACTION. WITH YOUR RECOMMENDATIONS.

IDENTIFY RESOURCE REQUIREMENTS AND RECOMMENDED SOURCE

PROVIDE SAMET OF EMPLEMENTING DIRECTIVE.

REPORT ACTION TAKEN TO ONG VIA VONG (COPY TO OP-000)

PLEASE REFERENCE THIS ACTION SHEET AR IN REPLIES. REQUEST ADVISE OF-090 (0X-74933) NAME & PHONE NO OF ACTION OFFICER AND SHOW SAME ON UPPER RUGHT CORNER OF ROINT PAPER RESPONSES TO ACTION SHIETS.

EVENT: CINC's Conference Debrief

SUSPENSE 11 Feb Memo/SITREP