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CABINET  
DEFENCE AND OVERSEA POLICY COMMITTEE

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BRITISH POLICY IN THE ANTARCTIC

Memorandum by the Secretary of State for Foreign and Commonwealth Affairs  
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1. Interest in the mineral and hydrocarbon potential of Antarctica is growing and is to be discussed at an Antarctic Treaty meeting in Washington from 8 December. We need to decide our policy.

Background

2. No hydrocarbons have yet been found and no reliable estimates exist (Annex A); but the potential for hydrocarbons in the continental shelves of Antarctica gives the area a growing economic and political significance. There may also be valuable deposits of other minerals. At present, rights both to explore and exploit minerals there may be challenged because there are disagreements about territorial sovereignty. Claims to territorial sovereignty (Annex B, with map) by seven states, including the United Kingdom, are not recognised by others, including the USA, USSR and Japan. Most of the British Antarctic Territory (BAT), which is among the more likely areas for oil and minerals, is also claimed by Argentina and Chile.

3. For 20 years international relations, and our interests in the BAT, have been well served by the Antarctic Treaty (Annex C) which isolated that area from East-West tensions and "froze" conflicting views about territorial sovereignty. But the chance of mineral wealth is reviving the differences between claimants and non-claimants within the Treaty "club". Moreover, there are risks that the "club" may be challenged from outside because of its limited membership. There may also be claims from developing countries that the continental shelves of Antarctica are the "common heritage of mankind" (Annex D).

/British Interests ...

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British Interests in the Antarctic

4. Our broad objectives in Antarctica are to:
- (i) maintain the peace and the continued demilitarisation of the area (Annex E);
  - (ii) secure the largest possible share of any benefits from the development of hydrocarbons and minerals in the area (Annex F); and
  - (iii) minimise the impact of development on the Antarctic environment.
5. To attain these ends we need to maintain:
- (i) our claim to territorial sovereignty;
  - (ii) a presence in the BAT (through the British Antarctic Survey) to support our interests (Annex G).

Policy Options

6. Continuing our support of the Treaty would enable us to serve these interests without deploying more resources. But would such a policy, in view of the challenges to the Treaty, be the best way of securing objective (ii)?

7. There seem to be four options:
- (i) to "go it alone";
  - (ii) to seek an exclusive accommodation with Argentina and Chile;
  - (iii) to seek a solution within the Antarctic Treaty framework; or
  - (iv) to vest our claim in some UN authority.

Options (i) and (iv) are not real. (i) would, in theory, enable us to regulate in our own interest mineral depletion, taxation and disposal policy and to earn useful external revenue. In practice, it would bring conflict with Argentina and Chile; we might have to deploy far greater resources,

resources, including military ones that we do not now possess; it would put at risk the peace of the area and destroy the Antarctic Treaty. (iv) would involve giving up our claim and obtaining only a small share of any benefits of which the major share would go to the Third World.

8. Option (ii) could bring us the theoretical advantages of option (i) (though divided three ways). But Argentina and Chile are not interested in such a solution at this stage (Annex H) and they would be controversial allies.

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9. Option (iii) is consistent with our Treaty obligations to consult (Annex I); it would maintain the peace, avoid challenges to our claim, ensure the support of non-claimants in the face of a Third World challenge and provide a more secure basis for investment. It would benefit the UK economy less than option (ii) and diminish our ability to give preference to UK companies. The benefits could be further diluted by accession of other states to the Treaty. Nevertheless, to adopt option (iii) would put us alongside the other claimant states who have concluded that the Treaty framework is the one that affords them an opportunity to deploy their claimant positions to advantage.

Conclusions

10. The balance of advantage appears to lie with the Antarctic Treaty option (iii). But we should also keep open the trilateral option (ii) for the time being. To proceed in this manner would be consistent with our continued support of the Antarctic Treaty as the means of maintaining the isolation of the area from East-West tensions and of meeting challenges to our sovereignty. Within this overall policy, we should participate, without commitment, in attempts to evolve an Antarctic Treaty minerals regime which would:

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- (a) leave unaffected our claim to territorial sovereignty;
- (b) secure the largest possible share of benefits for the claimants;
- (c) seek to ensure that benefits from the regime are as restricted as possible for new entrants;
- (d) establish a secure atmosphere for investment;
- (e) provide a modus vivendi with the Argentines and Chileans; and
- (f) protect Antarctica's environment.

We should negotiate from the position that the mineral rights in the BAT are ours and we should maintain British Antarctic Survey activities in the BAT to advance our interests.

11. I seek the endorsement of OD colleagues that our delegation to Washington and subsequent meetings should be guided by these aims. Unless I hear to the contrary, I shall now proceed on these lines. But I propose to consult colleagues again as necessary as negotiations develop.

12. I am copying to the Secretaries of State for Energy, Education and Science, Industry and Environment.

C.

Foreign and Commonwealth Office  
1 December 1980

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ANNEX A

THE HYDROCARBON POTENTIAL OF ANTARCTICA

The following are the conclusions of a Department of Energy paper, prepared in consultation with BP, on the potential for hydrocarbon development in Antarctica:

"CONCLUSIONS"

11. The logistic and technical problems of resource exploitation in Antarctica's harsh and dangerous environment are formidable and considerable capital expenditure and development of new transport and drilling techniques would be prerequisites to any Antarctic exploitation. Even if technically feasible the cost of exploitation of Antarctic hydrocarbons could be very high in comparison to the development of non-conventional oil.

12. On-shore hydrocarbon exploitation looks unlikely; the land is covered by a very thick ice cap. But development might be possible on the continental shelves of Antarctica, despite the hazards of floating pack ice and icebergs. It would be rash to say that no hydrocarbon deposits exist in Antarctica. But, from what is known of the geology to date prospects must be highly uncertain and certainly do not match the more optimistic estimates that have been published."

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## THE ANTARCTIC TREATY : HISTORY AND PROVISIONS.

1. The Treaty was signed in Washington in 1959 by Argentina, Australia, Belgium, Chile, France, Japan, New Zealand, Norway, South Africa, USSR, USA and UK. Any member state of the UN may accede to the Treaty but to become a "Consultative Party" (in addition to the twelve named above) requires a State Party to carry out "substantial scientific research activity [in the Antarctic], such as the establishment of a scientific station". So far only Poland has become a Consultative Party by this procedure but it is expected that the Federal Republic of Germany and the German Democratic Republic will be accorded that status next year and will probably be followed by Brazil and China in due course.
2. The initiative behind the Treaty lay with the UK, Australia, New Zealand and USA and resulted from the International Geophysical Year (1957-58) during which disputes and differences of view about the exercise of jurisdiction were set aside in favour of co-operation in science. The UK sought to avoid a resumption of the sterile territorial dispute with Argentina and Chile to which no other solution could be seen (see Annex B). Australia and New Zealand were seeking a means of regularizing the presence of Soviet and American stations in their respective territories for which no permission had been granted. All four were seeking a means of neutralizing the intrusion into the Antarctic of Soviet stations.
3. The main provisions of the Antarctic Treaty are:
  - (a) to foster freedom of scientific research;
  - (b) to demilitarize the area - military equipment and personnel may only be used for peaceful purposes;
  - (c) to prevent nuclear explosions in Antarctica and the dumping there of radio-active waste;
  - (d) to provide for mutual inspection of facilities (see Annex E);
  - (e) to "freeze" conflicting views on territorial sovereignty;

- (f) to provide for consultation from time to time (habitually every two years) on matters of common interest and make Recommendations to Treaty governments.

4. The consultative machinery of the Treaty has made Recommendations on subjects varying from telecommunications to protection of historic monuments (e.g. Captain Scott's huts), from wildlife conservation to the protection of sites of scientific interest. The UK Antarctic Treaty Act 1967 gives effect to the Agreed Measures for the Conservation of Antarctic Fauna and Flora. Treaty initiatives led to the negotiation of conventions for the Conservation of Antarctic Seals (1972) and Antarctic Marine Living Resources (1980).

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ANNEX D

## THREATS TO THE SURVIVAL OF THE TREATY.

1. The International Sea Bed Authority (ISBA) and the Group of 77.

If the Convention on the Law of the Sea as envisaged in the Informal Text now current in UNLOSC comes into force, probably not earlier than four or five years from now, the question could arise whether the Antarctic continental shelves form part of the International Seabed Area which is the "common heritage of mankind". (It seems less likely to arise in the Preparatory Commission established after signature). The ISBA might try to encourage research in the area with a view to granting a licence for the exploitation of its off-shore mineral resources, presumably mainly hydrocarbons. It might be tempted to take an initiative to define the Area. Conversely the claimant states would no doubt in due course and within 10 years as required file limits pursuant to Article 76 claiming the continental shelves adjacent to their territory. These would be considered in the Boundary Commission established under Article 76(8) and Annex II. The Boundary Commission will, we hope, be a scientific and technical body; and it might be possible for it to find that if the adjacent territory belongs to the claimant, then the geological definition of a continental shelf has been correctly applied. But it is our hope that the ISBA will direct its attention to metallic nodules, which occur mainly in tropical waters in an exploitable form, and will not, at least initially, attempt to investigate the outer edges of the continental shelves for hydrocarbons.

2. Third World opinion on Antarctica is inchoate at this stage; but the conclusion of the UN Law of the Sea Conference may be expected to release enthusiasts for the concept of the "common heritage of mankind" and will express discontent with a system which could be regarded as a 'rich man's club' with a high entry fee (Antarctic research) and "colonial" overtones: they might press, for example, for some distribution of benefits, 'revenue sharing', to developing countries. The Latin American claimants may be able to obtain Latin support to resist these pressures and the other claimants will no

doubt work in the same sense. But, in dealing with difficulties in the ISBA and the Boundary Commission, our hand would be greatly strengthened if we had the political support of the other Antarctic powers. With their help, it should be possible to damp down the opposition; without it the position would be much more difficult, and the Latin American claimants might be tempted to try to use sympathy for developing countries to protect their own position in a manner from which we could not benefit.

3. The environmental lobby. A group of conservation organizations from 89 countries co-ordinated from Washington make up the Antarctic and Southern Oceans Coalition (ASOC). The group is opposed to any kind of commercial exploration or exploitation in Antarctica. They were critical of the Antarctic Marine Living Resources Conservation Convention (Canberra 1980) and have written twice to President Carter asking him to declare Antarctica a 'World Park'. ASOC will, on past form, do its best to prevent the conclusion of a minerals regime by the Treaty powers and may call in environmental "do-gooders" (such as Canada and Sweden) and Third World opinion to help them.

4. The staying-power of the Treaty. There is a common, but mistaken, belief that the Antarctic Treaty terminates in 1991. In fact, the Treaty merely provides that if, after the expiry of 30 years from the date of its entry into force (i.e. 1991), a Consultative Party requests that there should be a review Conference then such a Conference shall be held. Proposed amendments to the Treaty may be adopted at the Review Conference by a qualified majority but shall only enter into force when ratified by all the Consultative Parties. An analysis shows that because of the probable political balance in the Treaty by 1991 amendment to any of its main provisions is most unlikely. Nevertheless, the mistaken belief about the Treaty terminating may weaken the Treaty by creating strains among the Consultative Parties, and raising false hopes among those outside.

5. The danger of these threats is that they tend to reinforce each other and, working together, they could lead to considerable political pressure the thrust of which would be strongly anti-claimant.

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ANNEX E

## DEMILITARIZATION PROVISIONS OF THE TREATY.

1. The Treaty provides for the inspection of stations, ships and aircraft in the Antarctic by observers appointed by the Consultative Parties on a national basis (i.e. not acting collectively). Under the same Article of the Treaty (VIII), elaborated in subsequent Recommendations, information about military equipment and personnel as well as future scientific activities in the Antarctic must be exchanged between parties before the beginning of each Antarctic summer season.

2. So far, only the United States have seriously inspected the stations of other nations, designating inspectors with appropriate skills. Their published reports have not indicated activities (e.g. by the Soviet Union) contrary to the Treaty.

3. Since 1955 the Soviet Union had steadily developed a more or less even spread of 6 stations around the periphery of Antarctica at intervals of roughly 60 degrees of longitude. The scientific raison d'etre of some of these stations seems a little thin and the conventional wisdom is that they are used for communications with Soviet fishing fleets in the Southern Ocean. While it is possible that inspections might throw further light on the reason for these stations, the main purpose is to serve a warning that importance is attached to the demilitarization provisions of the Treaty.



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ANNEX G

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ANNEX H

COULD THE DISPUTE WITH ARGENTINA AND CHILE BE SETTLED ?

1. The trilateral dispute is seen by the non-claimants as the Achilles heel of the claimant state position; conversely, a settlement of the dispute has been seen as opening the way to an exclusive tri-national minerals regime in the BAT. We have tried to engage the Argentines and Chileans in discussions about resolving our differences in relation to minerals, but it is clear that they would not be willing to settle between themselves (the unresolved Beagle Channel dispute is too much on their minds) and that they do not believe such an agreement would solve the issue. Like other claimants they see the prime problem as being the need for a settlement with the non-claimants within the Antarctic Treaty framework.

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ANNEX I

THE OBLIGATION TO CONSULT UNDER THE ANTARCTIC TREATY.

1. The Consultative parties are obliged to consult, formulate, consider and recommend

"to their Governments, measures in furtherance of the principles and objectives of the Treaty, including measures regarding: - ..... (e) questions relating to the exercise of jurisdiction in Antarctica" (Article IX 1).

Legal advice is that it would hardly be possible to deny that questions relating to the exercise of jurisdiction in Antarctica lie at the heart of the minerals issue. We are therefore obliged to consult as above. It is relevant that the first principle of the Treaty is:

"that it is in the interest of all mankind that Antarctica shall continue forever to be used exclusively for peaceful purposes and shall not become the scene or object of international discord".

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