

CONFIDENTIALMemorandum for Cabinet by the Hon. Prime MinisterRelations with NATO

1. On 16th September, 1964, the Council of the North Atlantic Treaty Organisation adopted a resolution in which it welcomed Malta as an independent nation, it declared its readiness to examine with the Government of Malta the problems which might be raised by the presence of NATO establishments, forces and installations in Malta, and expressed the hope that pending discussions between NATO and the Government of Malta on the possibility of future arrangements the legal status of NATO establishments, forces and installations would continue to be governed by the relevant legislation and practices hitherto applied in Malta.

2. A reply was sent by the Government of Malta to NATO stating that pending the outcome of discussions to be held at the request of the Government of Malta with NATO on the possibility of future arrangements, the Government of Malta confirmed that the legal status of NATO Headquarters establishments, forces and installations would continue to be governed as heretofore.

3. The wording of the reply given to NATO indicates that the ball is now in Malta's court and the first move towards clarifying the relations between Malta and NATO falls on the Government of Malta. The alternatives open to Malta in relation to NATO appear to be as follows:

- 1) leave matters as they stand without further clarification of the relations between Malta and NATO;
- 2) seek to obtain a unilateral declaration from NATO extending protection to Malta in the case of an attack;
- 3) seek associate membership of NATO;
- 4) seek full membership of NATO; and
- 5) cause NATO to withdraw from Malta.

4. The advantage of the first alternative, that is to leave matters undefined as at present, lie in that Malta would not have to share in the expenses of NATO and in the expense of representation in Paris to NATO. An attack on Malta bound as she is with the United Kingdom by a defence agreement would probably involve NATO as well. On the other hand Malta at present can be described as an appendage of NATO with no share in the formation of policy. As matters stand an attack on any one member of NATO will involve Malta in war so long as there is a United Kingdom presence in Malta. Should the United Kingdom reduce its commitment in Malta to the point of disappearance it is hardly likely that NATO will retain a Headquarters in Malta, in fact it can be interpreted that NATO's interest in Malta is bound up with Britain's presence here. The undefined relationship between Malta and NATO is at present a political liability.

5. A unilateral offer of protection by NATO gives a fuller guarantee to Malta than the present arrangements.

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Malta will still enjoy the savings of not have any representation in Paris, but again would have no say in policy. Apart from the British presence in Malta, an attack on a member of NATO would not otherwise involve Malta and the disappearance of the British presence in Malta would not affect the protection afforded by NATO. Such unilateral declaration would clarify the relations between Malta and NATO but the accusation that Malta is appendage of NATO would still hold.

6. With regard to the third alternative, that of seeking associate membership, it must be stated that the Atlantic Treaty does not provide for associate membership. To secure such membership an amendment to the Treaty may be required. If associate membership is secured it will probably mean that Malta would have to be represented in Paris although she would not have a vote in the Council of Ministers and would not be able to influence policy at least directly. Such a status could however be described as being commensurate to our size and to the contribution we are likely to make to the Organization. Associate membership would give to Malta full protection afforded to members of NATO.

7. The indications so far are that full membership is not attainable at least at present, although probably NATO still expects that we should go through the motions of sending a Representative at official level for 'pour-parlers' in Paris. It might be wise to go through these motions although the outcome is a forgone conclusion, namely there is no unanimity among members regarding the admission of Malta.

8. The fifth alternative, namely the withdrawal of NATO from Malta, is therefore one which deserves consideration. Malta is not enjoying any material economic benefit from the presence of HAFMED, but it is possible that the withdrawal of NATO may lead to a further reduction of the U.K. Naval Base. On the one hand as long as Britain remains in Malta and as long as the Defence Agreement between Malta and Britain subsists, Malta will remain indirectly bound to NATO. It is not known whether the British would wish to retain any defence installations in Malta should HAFMED be closed down. On the other hand Italy has a vested interest in the close association of Malta with the Western world, in the adequate defence of Malta and in its political stability. (From a purely defence aspect Italy stood to lose by the independence of Malta and has now to face the risk of Malta being overrun by a potential enemy or of Malta subscribing to doctrines which are inimical to the principles on which NATO is founded.) Even if the political embarrassment of having NATO in Malta reaches the point where it would be a solution for NATO to withdraw, it might not be wise to make a request in this sense to NATO without first holding the discussions which were adumbrated in the reply sent by the Government of Malta to NATO at the time of independence. A sure way of forcing the issue would be to make a formal request for admission to membership of NATO.

9. Whilst it may be premature to take a decision on the various alternatives open to Malta, the situation cannot be left as it stands indefinitely. Ministers are therefore asked to agree that the discussion which NATO expects Malta to request should now be held.

10th March, 1965.