



DECLASSIFIED

Authority MND 969 023

By AN NARA Date 9/14/03



Department of State

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A/ISSM/S, Department of State  
E.O. 12958, as amended  
October 11, 2007

PAGE 02 STATE 118250

1. DOD BUDGET CONSTRAINTS LED TO DECISION IN FEBRUARY 1972 TO REDUCE CERTAIN ACTIVITIES CONDUCTED BY US ARMY AT KAGNEW STATION, ASMARA, WHICH HAS RESULTED IN CONSIDERABLE REDUCTION IN BOTH PERSONNEL AND FUNCTIONS AT THAT STATION. IN CONJUNCTION WITH THIS REDUCTION, AND BASED ON CONTINUING BUDGET RESTRICTIONS, US NAVY HAS REASSESSED ITS COMMUNICATIONS REQUIREMENTS THROUGHOUT INDIAN OCEAN/RED SEA AREA IN ORDER TO DETERMINE POSSIBILITIES AND DESIRABILITY OF CONSOLIDATING NAVY COMMUNICATIONS IN THAT AREA. NAVY STUDIES INDICATED THAT MOST PRACTICAL SOLUTION WOULD BE TO CONSOLIDATE NAVY'S TACTICAL COMMUNICATIONS AT DIEGO GARCIA AND TO PHASE OUT ITS COMMUNICATIONS FACILITY AT KAGNEW. WE HAVE INFORMED THE ETHIOPIAN GOVERNMENT THAT OUR PRESENCE AT KAGNEW IS UNDER REVIEW. FINAL DECISION WILL NOT BE MADE UNTIL THE REVIEW IS COMPLETED. IF DECISION IS MADE TO MOVE, DOD WOULD DESIRE TO COMPLETE THE ENLARGEMENT OF THE DIEGO FACILITY BY END OF FY 76. DIEGO GARCIA EXPANSION WOULD RESTORE COMMUNICATIONS COVERAGE IN GULF OF OMAN, ARABIAN SEA, AND WESTERN INDIAN OCEAN, WHERE KAGNEW PHASE OUT WOULD HAVE CAUSED TEMPORARY DEGRADATION. MOVE TO DIEGO GARCIA WOULD INVOLVE CONSIDERABLE ANNUAL DOLLAR SAVINGS, AND WOULD MOVE IMPORTANT COMMUNICATIONS LINKS TO FAR LESS POLITICALLY VULNERABLE LOCATION.

2. IN ORDER TO INSURE THAT NECESSARY CONSTRUCTION FUNDS CAN BE OBTAINED IN FY 74 BUDGET, WE MUST MOVE RAPIDLY ON THE ENTIRE PROJECT. WE WILL PRESENT PLAN TO ENLARGE THE DIEGO COMMUNICATIONS FACILITY TO APPROPRIATE COMMITTEE OF CONGRESS. WHILE EXACT TIMING OF APPROACH TO CONGRESS NOT YET DETERMINED, RESULTS OF REQUESTED APPROACH TO UK DESCRIBED BELOW MAY BE A FACTOR.

3. REQUEST EMBASSY APPROACH FCO AT EARLIEST OPPORTUNITY AT APPROPRIATE LEVEL AND REQUEST HMG CONCURRENCE FOR EXPANSION OF US COMMUNICATIONS FACILITY ON DIEGO GARCIA. WE ARE FLEXIBLE AS TO FORM OF UK CONCURRENCE. EMBASSY SHOULD DRAW ON FOREGOING AND MAKE FOLLOWING POINTS:

A. NO CHANGE IS CONTEMPLATED IN MISSION OF DIEGO FACILITY, I.E., IT WILL REMAIN A COMMUNICATIONS STATION.

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**TELEGRAM**

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PAGE 03 STATE 118250

B. EXPANSION BEYOND PERMANENT CONSTRUCTION DEMARCATION LINE IS NOT RPT NOT CONTEMPLATED.

C. SINCE PURPOSE OF STATION AND NATURE OF EQUIPMENT WILL REMAIN THE SAME, AND SINCE THE AREA LIMITS WILL NOT CHANGE, WE BELIEVE THAT THE DIEGO GARCIA AGREEMENT 1972 AND THE SUPPLEMENTAL SERVICE-TO-SERVICE AGREEMENT WILL NOT RPT NOT REQUIRE ANY CHANGES OR AMENDMENTS. PROVIDING UK AGREES WITH THIS VIEW, WE DO NOT PROPOSE ANY FORMAL CHANGES TO THOSE AGREEMENTS.

D. IMPROVEMENTS IN MISSION CAPABILITY WILL REQUIRE AN ESTIMATED ADDITIONAL 226 PERSONNEL. THE ADDITIONAL CONSTRUCTION INDICATED PARA E BELOW WILL TO A LARGE EXTENT BE NEEDED TO HOUSE, FEED, AND SUPPORT THIS PERSONNEL INCREASE.

E. FACILITIES TO BE CONSTRUCTED INCLUDE ADDITIONS TO THE TRANSMITTER, RECEIVER, AND COMMUNICATIONS OPERATIONS BUILDINGS, ADDITIONAL BARRACKS AND ADD-ONS TO OR EXPANSION OF OTHER SUPPORT AND RECREATION FACILITIES AS NECESSITATED BY ADDITIONAL PERSONNEL. IMPROVEMENT AND EXTENSION OF THE UTILITY SYSTEMS ARE ALSO PLANNED. ADDITIONAL CONSTRUCTION IS ESTIMATED TO COST 8 MILLION DOLLARS. ADDITIONAL COMMUNICATIONS EQUIPMENT COSTING ABOUT 7 MILLION DOLLARS IS PLANNED FOR INSTALLATION AND A SATELLITE TERMINAL WILL BE INSTALLED. TOTAL COST (INCLUDING INSTALLATION COSTS) OF THE ADDITIONAL FACILITY WILL BE APPROXIMATELY 24 MILLION DOLLARS.

F. YOU SHOULD OFFER TO HMG OPPORTUNITY TO PROVIDE UP TO 10 PER CENT OF NEW MANNING, SUGGESTING DESIRABILITY OF MAINTAINING THIS LEVEL OF BRITISH PARTICIPATION IF FACILITY IS TO CONTINUE AS TRULY JOINT US/UK PROJECT.

G. REQUEST HMG COOPERATION IN KEEPING THIS PROJECT CLOSELY HELD UNTIL FURTHER CONSULTATION. ROGERS

NOT TO BE REPRODUCED WITHOUT THE AUTHORIZATION OF THE EXECUTIVE SECRETARY

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