

FALKLAND ISLANDS: FCO SITREP (DETAILED VERSION):07.00 HRS, 18 MAY 1982UNITED NATIONSSir Anthony Parsons' Meeting with the U N Secretary-General

A
UKMIS New York
telno 765 to FCO
of 17 May

1. In the view of Sir Anthony Parsons, this meeting went as well as, and perhaps better, than could have been expected, confirming the judgment that our position would be regarded as basically reasonable in the event of a break-down in the negotiations.

2. Summarising the view from London, Sir Anthony said that the only fully just solution would be Argentine withdrawal, restoration of the status quo and resumption of negotiations; the U K had shown great flexibility, not fully matched by Argentina, in the various rounds of negotiations. He introduced the Draft Interim Agreement as the 'bottom line' for H M Government, representing a consolidation of points put to the Secretary-General in the last few days. In asking the Secretary-General to convey it to the Argentines, he explained that any appeals for further time beyond 12 noon New York time on 19 May or any proposals for substantive amendment would be interpreted as rejection (although he later explained that we would be prepared to look at miniscule changes).

3. In the course of Sir Anthony's more detailed exposition the Secretary-General seemed reassured on possible Security Council problems over requirements to implement Article 6(4) [verification of withdrawal]; he mentioned that Ros had not objected to the notion that U S help would be indispensable for verification.

4. In his initial reaction to the Draft the Secretary-General said that he would not pass judgment immediately but expressed concern 'as a Latin American' about presenting the Draft to the Argentines on a take it or leave it basis as a British draft. He undertook to consider Sir Anthony's suggestion that although presenting it as a British draft, he should say that the deadline had been imposed by him (the Secretary-General). Continuing the discussion in private (in the course of which Sir Anthony handed over the letter on the Dependencies) the Secretary-General said in confidence that he thought our Draft was perfectly reasonable; he had had indications that the Argentines were getting a bit desperate and might genuinely want an agreement to save themselves from the ultimate humiliation of the British recapturing the islands.

Sr Ros' Meeting with the Secretary-General

A
UKMIS New York
telno 765 to FCO
of 17 May - paras
8 and 9.

5. The Secretary-General undertook to transmit the British Draft and the deadline to Sr Ros on the afternoon of 17 May. Sir Anthony Parsons was confident that the Secretary-General would make the most, for tactical reasons, of the effect of last week's negotiations on our position in order to enable Ros to report to his Government that they were not simply being confronted with a British ultimatum.

SECRET

B
UKMIS New York
telno 766 to FCO
of 17 May -
para 1

6. Leaving the U N after meeting the Secretary-General Ros told the press that he had been informed of the latest British position and would consult his Government and bring back the answer. There has been no further account from UKMIS of this meeting nor of any further meeting between the Secretary-General and Sir Anthony Parsons.

Presentation/Press Aspects

A
UKMIS New York
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B
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telno 766 to FCO
of 17 May -
paras 2 and 3

C
UKMIS New York
telno 768 to FCO
of 17 May.

7. In his meeting with the Secretary-General Sir Anthony confirmed that the Draft Interim Agreement was to be treated as confidential and that he would not admit to setting a deadline. Following Ros' meeting with the Secretary-General media enquiries to UKMIS centered on whether the U K had now set out a final position and a deadline; but UKMIS continued to hold the line as best they could. A statement issued in the evening by the Secretary-General also avoided mention of the Draft Agreement or the deadline but underlined the need for urgency.

EUROPEAN COMMUNITY

D
CO telno 56 to
Luxembourg of
8 May

8. After difficult negotiations EC Foreign Ministers agreed in Luxembourg to arrangements ensuring that the embargo on the import of Argentine goods would continue until 24 May inclusive. Seven member States will continue to apply original Regulation of 16 April for seven days; Ireland and Italy will not continue to apply this Regulation but will urgently consult the Commission under Article 225 in order to prevent market distortion; Denmark will apply the 16 April Regulation initially, pending introduction of Danish national measures under Article 224. In the discussions Cheysson (France) strongly advocated extending the embargo and was supported by the FRG, Netherlands, Greek, Belgian and Luxembourg Ministers. Collins (Ireland) had instructions to consult Dublin when he had gauged the feel of the meeting. Olesen (Denmark) favoured extension of the embargo but considered it was a matter for implementation by national action under Article 224, not Community action under Article 113. Colombo (Italy) initially refused to endorse an extension of the embargo on the grounds of domestic criticism and the fact that many Argentines were of Italian extraction. The Article 225 compromise was suggested by the Commission and agreed to towards midnight after an adjournment of 90 minutes.

NATO

E
Luxembourg telno
49 to FCO of
17 May

9. In the super-restricted session of the North Atlantic Council Ministerial meeting in Luxembourg, all speakers including the Foreign Ministers of the USA, Portugal, FRG, France, Italy and Norway expressed solidarity with the U K. Haig spoke of the importance of the principle of resisting aggression, adding that the U S supported the U K despite the cost to itself and possible dangers to U S citizens in Latin America.

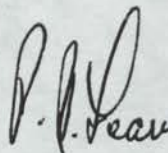
/COMMENT

SECRET

COMMENT

10. No immediate action is required on the negotiations in New York. The Argentine reactions to the UK draft (or alternative proposals of their own) is expected to be given to the Secretary-General today. The Secretary-General's position on the 'deadline' has been helpful: but this is already the subject of considerable press speculation.

11. Although it has been agreed that EC sanctions should continue for a further seven days, the divisions in the Community on this question are now apparent: and the Italians and the Irish have effectively freed their hands. The prospects for a further renewal on 24 May is likely to depend on developments in the New York negotiations.



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Emergency Unit

18 May 1982