CONFIDENTIAL

FALKLAND ISLANDS: FCO SITREP: 0730 HOURS, 3 MAY

ATTACK ON ARGENTINE CRUISER

1. On 2 May at approximately 8 p.m. London time, the Argentine cruiser General Belgrano, sailing just outside the TEZ, was hit by torpedoes fired from a British submarine. The cruiser is believed to be severely damaged. MOD press statement attached.

PERUVIAN PEACE PLAN

2. Dr Arias, the Peruvian Foreign Minister, told HM Ambassador in Lima on evening of 2 May that, acting on President Belaunde's instructions, he had telephoned Costa Mendez to press on him a sevenpoint peace formula. Mr Haig had spoken several times to President Belaunde about the formula which had the approval of Costa Mendez. General Galtieri told Belaunde that he was "well disposed" towards the plan but had to convince the Junta which was meeting. President Belaunde hoped to make a statement soon. The Argentine official news agency later reported the rejection of the proposals which, so it claims, are basically the same as those made by Mr Haig on 27 April.

ATTACK ON PORT STANLEY AND GOOSE GREEN AIRFIELDS

3. Attached is the text of a further MOD press statement and a summary of international reactions.

SECRETARY OF STATE'S MOVEMENTS

4. Mr Pym met Mr Haig for talks in Washington on 2 May before proceeding to New York where he dined with UN Secretary-General.

3 May,1982

T H Steggle Emergency Unit

CONFIDENTIAL

1. YOU DINED AT THE NAME AND A HOTE-INGER.

TEXT OF MOD PRESS STATEMENT

"At approximately 8 p.m. London time this evening the Argentine cruiser General Belgrano was hit by torpedoes fired from a British submarine. The cruiser is believed to be severely damaged.

"On Friday, 23 April, HMG warned the Argentine Government that any approach on the part of Argentine warships, including submarines, naval auxiliaries or military aircraft which could amount to a threat to interfere with the mission of British forces in the South Atlantic would encounter the appropriate response. The cruiser posed a significant threat to the British Task Force maintain the TEZ. The action taken was fully in accordance with the instructions given to the Task Force Commander based on the inherent right of self-defence under Article 51 of the UN Charter. The British submarine suffered no damage in the engagement and has resumed her patrol. Further details of the engagement will be given as soon as we have them.

[If pressed on whether the engagement took place within the TEZ the Ministry of Defence will reply that it was on the edge of and just outside the TEZ. In doing so however they will draw attention to the warning issued on 23 April, to the fact that the General Belgrano was posing a significant threat to the British task force and that action was taken in self-defence.]

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TELEGRAM NUMBER 138 OF 3 MAY
INFO FLASH WASHINGTON

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MIPT

- 1. IMMEDIATE CEASEFIRE.
- 2. MUTUAL WITHDRAWAL OF FORCES.
- 3. INTRODUCTION OF THIRD PARTIES TO ADMINISTER THE ISLANDS TEMPORARILY.
- 4. THE TWO GOVERNMENTS ACKNOWLEDGE THE EXISTENCE OF CONFLICTING VIEWS WITH RESPECT TO THE ISLANDS.
- 5. THE TWO GOVERNMENTS ACKNOWLEDGE THE NEED TO TAKE INTO ACCOUNT THE ASPIRATIONS AND INTERESTS OF THE ISLANDERS IN THE FINAL SOLUTION.
- 6. THE THIRD PARTIES OR CONTACT GROUP WOULD BE COMPOSED OF ERAZIL, PERU, WEST GERMANY AND THE US (BUT SEE PARA 2 OF MIPT). ALTERNATIVE (SPANISH) TEXT IS AS FOLLOWS: THE THIRD PARTIES OR CONTACT GROUP WHICH WOULD INTERVENE IMMEDIATELY IN THE NEGOTIATIONS TO IMPLEMENT THIS AGREEMENT WOULD BE COMPOSED OF VARIOUS COUNTRIES TO BE DESIGNATED BY MUTUAL AGREEMENT.
- 7. THE FINAL SOLUTION WILL BE REACHED NO LATER THAN 30 APRIL 1983 UNDER THE GUARANTEE OF THE CONTACT GROUP.

WALLACE

FCO PSE PASS

[repeated "flosh to UKMis New York & Deskby 0307302. UK. DEL NATO.]

HANNA

3. YOU DINED AT MY THOU PAREE AHMED AND A HOTE-TANEH.

MOD PRESS STATEMENT - 1220 HOURS, 2 MAY

As you know yesterday before dawn VULCAN aircraft attacked
Port Stanley airfield. Subsequently there was a follow up attack
by a substantial number of Sez Harriers. The result was a severely
damaged runway at Port Stanley airfield and considerable damage to
military
surrounding/installations and stores. Goose Green was also attacked
by a number of Sea Harriers. This local air strip was also damaged
together with a number of Argentinian military aircraft parked in
its vicinity. All our aircraft and crews returned safely. There
was only minor damage to one aircraft which did not affect its
capability and which has now in any case been repaired. There were
no Task Force casualties.

Force situated within the Total Exclusion Zone bombarded Port

Stanley airfield to reinforce the effects of the bombing and to

deter repair work. While this bombardment was taking place Argentinian
fighter and bomber aircraft attacked the ships. They were engaged

by Sea Harriers which shot down one Mirage aircraft. Another of the

Argentinian Mirage aircraft is believed to have been shot down by

Argentinian gun fire from around the airport. During the evening

the Argentinians mounted a bombing raid on our Task Force. One of

their Canberras was shot down by a Sea Harrier. Another was severely

damaged. The raid was ineffective. Only one ship was damaged and

that was only superficial splinter damage.

The frigste

is continuing to perform its operational task.

The only casualty was Able Seaman Ian Britnell from-Teighmouth, Devon, who sustained a splinter wound. He is only slightly wounded and able to walk."

We have no report of-further engagements to date.

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ATTACKS ON FALKLANDS ISLANDS: INTERNATIONAL REACTIONS AT AS AT 0730 Hours 3 MAY

BRAZIL

In an official statement, Brazil 'disagrees' with the armed attack which it describes as a violation of SCR 502. It calls upon the Security Council to ensure the fulfilment of SCR 502.

CUBA

Aggessive statement condemning UK, supporting the Argentine cause and calling for full solidarity from all Latin American countries.

SPAIN

Statement describes attacks as a 'serious escalation' in the conflict; more generalised British action would signify a great responsibility and an historic error. Statement reaffirms Spanish oppositon to the use of force and deplores the fact the colonial nature of the problem has been overlooked,

USSR

Moscow Radio has condemned Britain inpredictable terms for attempting to restore the Falklands' colonial status by force.

MEXICO

The Mexican Foreign Minister regretted that hostilities had broken out.

VENEZUELA

President Herrera condemned this 'British aggression' and called for a review by Latin America of policies of integration and collective security.

CHINA

The MFA deeply regrets this grave development since the resort to military attacks against the "Malvinas Islands", thus intensifying the conflict of bloodshed, makes a peaceful settlement more difficult.

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