FIRST DAY, FRIDAY 26 FEBRUARY: SECOND SESSION, IN THE UK MISSION AT 1600

- 1. Mr Luce opened the afternoon session by thanking Sr Ros again for his exposition of the Argentine proposal in the morning. The British delegation had taken the opportunity of the early adjournment to examine it in detail. We wished now to present a working paper to ensure that both sides understood each other fully on the framework within which a Negotiating Commission would operate. This would be to avoid any misunderstanding. (Copies of the British draft were then handed out).
- <u>Sr Ros</u> commented on the inclusion of wording recording the Islanders' right to participate in the Commission. While the Argentines had no objection to the Islanders' presence, it must be clear from the outset that they were members of the British delegation: there must be no question of giving the Islanders the right to participate as a third party. Mr Luce emphasised that the British paper was only a draft and it was not intended for public use. It was a paper to clarify the two sides' respective positions on the proposal to establish a Negotiating Commission and it could usefully form the basis of their recommendation to their respective governments. <u>Sr Ros</u> repeated that the Argentines could not say in public that the Islanders had a right to participate in the talks. Mr Luce repeated that the paper was not intended to be a press statement. Sr Ros again expressed the hope that the British delegation were not intending to change the Islanders' status at the talks. This would not be acceptable to the Argentines. Mr Blake said that for the Islanders too the only basis for acceptance of this document was as a working paper.

Mr Williams made clear that the draft represented the 3. British understanding of the position; it was an attempt to pin down what was really meant by the Argentine proposal. Sr Ros then questioned the inclusion in the draft of a sentence to the effect that no approaches which might lead to a solution of the dispute should be ruled out. For the Argentines it would not be possible to accept any agreement that excluded the Argentine claim to sovereignty. If the British side proposed to work on the premise of the retention of British sovereignty or, for example, a freeze, then there was no point in even starting work. He would prefer the exclusion of any such reference. Mr Williams thought that the implications of this phrase were that the Commission's discussions should not be limited in any way. It would be important to determine whether every aspect had been covered before the commission reached a conclusion. It was important for neither side to be blinkered in their approach. repeated that the inclusion of the possibility of considering any solution which excluded recognition of the Argentine claim would invalidate the whole exercise. The Argentines wanted to find common ground to solve the dispute. Mr Luce thought the Argentines were reading too much into the phrase. It meant only that both sides should feet free to explore every avenue. Its purpose was to demonstrate broad latitude which the British side were prepared to adopt. Mr Fearn did not see how a Negotiating Commission could operate if its outcome were prejudged. Sr Ros thought that if he were to accept this wording he might be conceding that the Argentine claim need not even be considered. He would be exposing himself to great criticism in Argentina. Mr Luce thought Sr Ros's reservations were groundless. It was important to have a comprehensive examination of all aspects of the problem. Nothing in the paper excluded this. Mr Fearn felt that it was reasonable to assume that there was not just one possible solution to the dispute; there had to be a number of middle positions in the divide between the status quo on the one hand and a transfer of sovereighty on the other.

(The delegations then separated to seek to agree wording to meet the Argentine difficulties on the original draft).

- 4. After agreeing that each delegation should reflect on the revised draft overnight, Mr Luce asked whether Sr Ros had any other points to raise. Sr Ros said that the Argentines were worried that the British Government might say in public statements that a final solution to the dispute need not take the Argentine claim into account. He wished to make it clear that there was no question of the Argentines putting aside their claim. Mr Luce made clear again that the purpose of the working paper was to refine our mutual understanding of the nature and purpose of a Negotiating Commission. Sr Ortiz de Rozas was concerned that the British position might not coincide with the Argentines'. In his view the way the Commission would operate was for the Argentines to present their proposal (as they already had) and for the UK to present a counter proposal. Our agreed aim must be to solve the dispute. Bur Sr Ros had to be careful of Argentine sensibilities. It was very important how Mr Luce handled statements in Parliament: nothing should be said to preclude the Argentine claim. Both sides had to be honest with each other. It was possible to work on the basis of assumptions, i.e. a solution to certain aspects could be worked out on the assumption that an overall solution would eventually be possible, but the Argentine position remained that sovereignty over the Falklands was rightfully theirs.
- 5. Mr Luce said that he understood the sensitivities. However, the Argentines must also recognise the sensitivity of the

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Islanders and his accountability to Parliament. The common objective was to find a solution to the dispute. He agreed that both sides would have to be careful about what they said in public but he stressed again that the paper under discussion was not for public use; and it was only a working document.

- 6. Sr Ros drew attention to the fact that certain items mentioned in the original Argentine proposal did not appear in the working paper, e.g. venue, level of participation, periodicity and a cut-off point. On venue, the Argentines felt strongly that meetings should be held atternately in the two capitals. They felt this would help both sides to face facts. Mr Fearn agreed that meetings in capitals would enable the Commission's work to be much more efficient, at least for the host country. But there were dangers from the point of view of retaining confidentiality. Mr Luce agreed that meeting in capitals would be politically more sensitive and might attract unwelcome attention to the proceedings. Mr Williams reminded the Argentines that one reason we met in New York was to avoid dramatising the dispute and attracting press interest. This would be more difficult in capitals. <u>Sr Ortiz de Rozas</u> agreed that care would need to be taken, but thought that the difficulties would be outweighed by the psychological advantages and the considerations of greater efficiency.
- 7. On periodicity Mr Luce agreed that the Commission would need to proceed as rapidly as possible, but thought that we should be tying ourselves down unnecessarily if we were to agree to monthly meetings. He thought it better not to hold meetings at precise intervals but to have them as and when required. He agreed that there should be a launching meeting and that this should be at Ministerial level. This first meeting would identify certain requirements (e.g. what subgroups would need to discuss) and it would then decide who

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should participate in which group and when they should meet.

Mr Fearn felt there would clearly be practical difficulties in pinning Ministers down to certain fixed times. Mr Williams agreed. He thought it was also important to allow time to prepare sufficient input for the meetings. This was the best way to avoid rhetoric.

8. Sr Ros asked for the British reaction to the proposal that the work of the Commission should be terminated after a year. Mr Luce felt that timing this precise could be counter-productive. It would put the work of the Commission under pressure which would make the negotiating task more difficult. There was clearly a need to push the whole process along; he wanted the Argentines to be clear that HMG wished to find a solution too. This was why we were prepared to consider the new structure being proposed. But he felt that a fixed date for termination would make the task more difficult. Mr Cheek agreed that it would be undesirable. It might be that the Commission was making good progress but would have to stop work because of the arrival of a rigid deadline. Mr Williams thought the idea of a preordained cut-off point would be politically dangerous if it leaked to the press. It would attract highly unwelcome attention to our activities. Mr Luce wondered whether it would not be possible to consider a review mechanism at Ministerial level. After a fixed period of time, e.g. one year, Ministers could review the achievements of the negotiating mechanism and decide whether it was worthwhile. Sr Ros felt such an idea to be contradiction in terms: the whole Commission would be held at Ministerial level. Mr Luce agreed that the first meeting should be held at Ministerial level but did not see the need for Ministerial presence at each meeting. He could certainly not guarantee his presence at regular meetings. Sr Ros repeated his feeling that 12 months should be more than enough to ascertain a basis for a solution to the problem. Sr Ortiz de Rozas said that the Argentines did not expect to have a final treaty within a

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- year. But it was important for his government to see that a date was incorporated from the outset. After 16 years of inactivity the Argentines had to show that progress was being made. If they could not do so, public opinion in Argentina would grow even more hostile.
- Mr Luce said he had found all this discussion helpful and would reflect overnight on the various points raised. repeated that the paper was only a framework. Details would have to be worked out later. He proposed that the meeting adjourn until the next day and discuss the mechanisms of the Commission's work then. Sr Ros asked how long the British Government would need to give an answer to the overall proposal. Mr Luce said that he would put the recommendation to his colleagues as soon as possible and he was sure that the Islanders would do the same. We wanted to make progress. would consult with his colleagues and give a reply as soon as possible. Sr Ros tried to pin Mr Luce down. Would a reply be forthcoming within a month? Mr Luce said that he could promise that a reply would come in weeks rather than months, and a decision would be based on his positive recommendation. However, he could not commit his government to replying by a certain date.
- 10. The meeting adjourned at 1845.