SECRET

American Araft. 23 April. Master Copy

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Preamble:

On the basis of United Nations Security Council Resolution 502, and the will of the Argentine Republic and of the United Kingdom to resolve the controversy which has arisen between them, renouncing the use of force, both Governments agree on the following steps, which form an integrated whole:

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1. Effective on the signature of this agreement by both Governments, there shall be an immediate cessation of hostilities.

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- 2. Beginning at 0000 hours local time of the day after the day on which this agreement is signed and pending a definitive settlement, the Republic of Argentina and the United Kingdom shall not introduce or deploy forces into the zones (hereinafter, "zones"), defined by circles of 150 nautical miles radius from the following coordinate points (hereinafter, "coordinate points"):
 - A) LAT. 51 DEG 40' S LONG, 59 DEG 30' W
 - B) LAT. 54 DEG 20' S LONG, 36 DEG 40' W
 - C) LAT. 57 DEG 40' S LONG, 26 DEG 30' W
- 2.1. Within 24 hours of the date of this agreement, the United Kingdom will suspend enforcement of its zone of exclusion and Argentina will suspend ilelent 200 m S. operations in the same area.
- With 24 hours of the date of this agreement, Argentina and the United Kingdom will commence the withdrawal of their forces in accordance with the following details.
 - 2.2.1. Within seven days from the date of this agreement, Argentina and the United Kingdom shall have withdrawn one-half of their military and security

forces present in the zones on the date of this agreement, including related equipment and armaments. Within the same time period, the United Kingdom naval task force will stand off at a distance equivalent to (7) days' sailing time (at 12 knots) from any of the coordinate points, and Argentine forces that have been withdrawn shall be placed in a condition such that they could not be reinserted with their equipment and armament in less than

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2.2.2. Within 15 days from the date of this agreement, Argentina shall remove all of its remaining forces and redeploy them to their usual operating areas or normal duties. Within the same period the United Kingdom naval task force and submarines shall redeploy to their usual operating areas or normal duties.

2.3. The United States, depending on its acceptance, shall verify compliance with provisions 2 through 2.2.2.

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Paragraph 3: dropped (essence incorporated in 2)

PARAGRAPH 4

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2 reinsuled, From the date of this agreement, the two governments will initiate the necessary procedures to terminate simultaneously, and without delay, the economic and financial measures adopted in connection with the current controversy, including restrictions relating to travel, transporation, communications, and transfers of funds between the two countries. The United Kingdom at the same time shall request the European Community and third countries that have adopted similar measures to terminate

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PARAGRAPH 5

The United Kingdom and Argentina shall each appoint, and the United States has indicated its agreement to appoint, a representative to constitute a Special Interim Authority which shall provide observers to verify compliance with the obligations in this agreement. Each representative may be supported by a staff of not more than 10 persons on the islands.

Paragraph 6

6.1

Pending a definitive settlement, all decisions, laws and regulations hereafter adopted by the local administration on the islands shall be submitted to and expeditiously ratified by the Special Interim Authority, except in the event that the Special Interim Authority deems such decisions, laws or regulations to be inconsistent with the purposes and provisions of this Agreement or its implementation. The traditional local administration shall continue, except that the Executive and Legislative Councils shall be enlarged to include: (a) two representatives appointed by the Argentine Government to serve in the Executive Council; and (b) representatives in each Council of the Argentine population whose period of residence on the islands is equal to that required of others entitled to representation, in proportion to their

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population, subject to there being at least one such

representative in each Council. Such representatives of

the resident Argentine population shall be nominated by the

Special Interim Authority. The flags of each of the constituent members of the Special Interim Authority shall be flown at its headquarters.

6.2

Pending a definitive settlement, neither Government shall take any action that would be inconsistent with the purposes and provisions of this agreement or its implementation.

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PARAGRAPH 7

7.1 Pending a definitive settlement, travel, transportation, movement of persons and, as may be related thereto, residence and ownership and disposition of property, communications and commerce between the mainland and the islands shall, on an equal basis, be promoted and facilitated, The Special Interim Authority shall propose to the two signatories for adoption appropriate measures on such matters. Such proposals shall simultaneously be transmitted to the Executive and Legislative Councils for their views. The two signatories undertake to respond promptly to such proposals. The Special Interim Authority shall monitor the implementation of all such proposals adopted.

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7.2 The provisions of paragraph 7.1 shall in no way prejudice the rights and guarantees which have heretofore been enjoyed by the inhabitants on the islands, in particular rights relating to freedom of opinion, religion, expression, teaching, movement, property, employment, family, customs, and cultural ties with countries of origin.

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8. December 31, 1982 will conclude the interim period during which the signatories shall complete negotiations on removal of the islands from the list of Non-Self-Governing Territories under Chapter XI of the United Nations Charter and on mutually agreed conditions for their definitive status, including due regard for the rights of the inhabitants and for the principle of territorial integrity, in accordance with the purposes and principles of the United Nations Charter, and in light of the relevant Resolutions of the United Nations General Assembly. The negotiations hereabove referred to shall begin within fifteen days of the signature of the present agreement.

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PARAGRAPH 9

- 9. In order to assist them in bringing their negotiations to a mutually satisfactory settlement by the date stipulated in the preceding paragraph, the Authority shall after consultation with the Executive Council make specific proposals and recommendations as early as practicable to the two signatories, including proposals and recommendations on:
 - 9.1 The manner of taking into account the wishes and interests of the islanders, insofar as islands with a settled population are concerned, based on the results of a sounding of the opinion of the inhabitants, with respect to such issues relating to the negotiations, and conducted in such manner, as the Authority may determine;
 - 9.2 Issues relating to the development of the resources of the islands, including opportunities for joint cooperation and the role of the Falkland Islands Company; and
 - 9.3 Such other matters as the two signatories may request including possible arrangements for compensation of Islanders or matters on which the Authority may wish to comment in light of its experience in discharging its responsibilities under this Agreement.

9.4 The signatories have agreed on the procedure in sub-paragraph 9.1 without prejudice to their respective positions on the legal weight to be accorded such opinion in reaching a definitive settlement.

PARAGRAPH 10

to conclude the negotiations by December 31, 1982, the United States has indicated that, on the request of both signatories, it would be prepared at such time to seek to resolve the dispute within six months of the date of the request by making specific proposals for a settlement and by directly conducting negotiations between the signatories on the basis of procedures that it shall formulate. The two signatories agree to respond within one month to any formal proposals or recommendations submitted to them by the United States.

PARAGRAPH 11

11. This Agreement shall enter into force on the date of signature.

POINTS FOR INCLUSION IN A LETTER FROM PRESIDENT REAGAN TO THE PRIME MINISTER (Araft given by Mr Rym 10 M. Hang, 23 April)

- i. Glad that it looks as if we shall be able to reach agreement.
- ii. Understand in the light of recent events that the British Government should require some assurance that the Argentine Government will respect its obligations in good faith and, in particular, refrain from any further use of force against the Islands.
- the interim period will serve as an effective guarantee of the implementation of the agreement and against any use of force to frustrate it. We shall leave the Argentinians in no doubt that any challenge by them to the provisions of the agreement, particularly those relating to the withdrawal of Argentine forces and their non-reintroduction, will be seen as a challenge to the Government of the United States and responded to accordingly.
- iv. Once negotiations between the parties have been concluded and the definitive settlement has been achieved, the United States will have only such responsibilities in respect of the implementation of that definitive settlement as it shall have specifically accepted in response to the requests of the two signatories. It will, however, be prepared to respond positively to any such requests; and, notwithstanding the above, it will continue to regard any use of force to frustrate or overturn the provisions of the definitive settlement as a challenge to the United States government to be responded to accordingly.

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