

Prime Minister

U0631

MR FLESHER

cc Mr Goodall (o/r)
Mr Hatfield (w/o attachment)

FALKLANDS DISPUTE - DRAFT PROPOSALS

1. I attach papers prepared by the Foreign and Commonwealth Office to meet the Prime Minister's request for an updated version of OD(SA)(82) 26 covering the various draft proposals for a solution to the dispute made after as well as before 24 April -

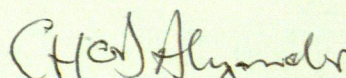
Annex A: a revised version of OD(SA)(82) 26 to take account of Mr Haig's final proposals of 27 April.

Annex B: a comparison of the various drafts of the 'US/Peruvian' proposal.

Annex C: a brief account of the process at the UN which led to the final British proposal for an interim agreement.


These were the three main series of draft proposals considered at various times during the crisis: no others reached the stage of serious consideration by HMG.

2. The Foreign and Commonwealth Office would have liked more time to make a thorough job of this quite complicated research task. As it is they seem to have gone a long way to meeting the remit in full. The exception is that they have not been able simply to add new columns to the original paper covering each additional proposal; this would in any case have resulted in an unwieldy document, given the different structures of the three sets of proposals.



C H O'D ALEXANDER

27 August 1982



ANNEX A

MR HAIG'S PROPOSALS

- (a) 12 April The draft proposals discussed in London between Mr Haig and British Ministers.
- (b) 19 April The revised draft received from Mr Haig after his visit to Buenos Aires.
- (c) 22 April The draft as revised by British Ministers and taken to Washington by the Foreign and Commonwealth Secretary.
- (d) 24 April This draft revised by Mr Haig and brought back to London by Mr Pym.
- (e) 27 April The final version of the proposals as submitted to the Argentines by Mr Haig and rejected by them.

Annex A

SECRET

(HAIG/HMG 12 APRIL)

1. On the basis of United Nations Security Council Resolution No 502, and noting relevant United Nations General Assembly Resolutions, Argentina and the United Kingdom have agreed on the following steps, which form an integral whole:

2. All military and security forces other than local police shall be withdrawn within a short period of time, but not later than two weeks from the date of this agreement, from three areas defined by circles of 150 nautical miles radius from the following co-ordinate points:

- a. Lat. 51° 40' South
Long. 59° 30' West
[Falklands]
- b. Lat. 54° 20' South
Long. 36° 40' West
[South Georgia]
- c. Lat. 57° 40' South
Long. 26° 30' West
[South Sandwich Islands]

(HAIG 19 APRIL)

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:

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

2. Beginning at 0000 hours on the day after the day on which this agreement is signed, the Republic of Argentina and the United Kingdom shall not introduce nor deploy forces into the zones (hereinafter, "zones") defined by circles of 150 nautical miles radius from the following co-ordinate points (hereinafter, "co-ordinate 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 rescind its zone of exclusion and Argentina will not conduct operations in the zones.

2.2 Within 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 shall have withdrawn one half of its 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 will have completed the withdrawal of all of its forces from the zones and the United Kingdom Naval Task Force will stand off at a distance of at least 1750 nautical miles from any of the co-ordinate points.

(HMG 22 APRIL)

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:

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

2. Beginning at 0000 hours on the day on which this agreement is signed, the Republic of Argentina and the United Kingdom shall not introduce nor deploy forces into the zones (hereinafter, "zones") defined by circles of 150 nautical miles radius from the following co-ordinate points (hereinafter, "co-ordinate 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 not conduct operations in the zones.

2.2. Within 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 shall have withdrawn one half of its military and security forces present in the zones on the date of this agreement, including related equipment and armaments. United Kingdom Naval Task Force will stand off at a distance of at least 150 miles from any of the co-ordinate points.

2.2.2. Within 15 days from the date of this agreement, Argentina and the United Kingdom shall have removed all their forces, equipment and armaments from the zones. Thereafter, the United Kingdom Naval Task Force and submarines shall revert to their normal duties.

(HAIG 24 APRIL)

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:

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

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 co-ordinate points (hereinafter, "co-ordinate 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 operations in the same area.

2.2 Within 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 co-ordinate 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 7 day

(HAIG 27 APRIL)

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:

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

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 min S
Long. 59 deg 30 min W
- B) Lat. 54 deg 20 min S
Long. 36 deg 40 min W
- C) Lat. 57 deg 40 min S
Long. 26 deg 30 min 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 operations in the same area.

2.2 Within 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:

SECRET

2.2.2. Within 15 days from the date of this agreement, Argentina shall remove all of its remaining forces, equipment and armaments from the zones. Within the same time period, units of the United Kingdom Naval Task Force and submarines shall redeploy to their usual operating bases or areas.

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.

2.2.1. Within seven days from the date of this Agreement, Argentina and the United Kingdom shall each 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 seven 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 armaments in less than seven days.

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

2.3. In accordance with its Letter of Acceptance of even date, the United States shall verify compliance with the provisions of this paragraph, and the two Governments agree to cooperate fully with the United States in facilitating this verification.

2
SECRET

3. After the date of this agreement and pending a definitive settlement, no military or security force shall be introduced into the areas defined in paragraph 2 above. On completion of the withdrawal specified in paragraph 2 all forces that have been deployed in connection with the current controversy shall be redeployed to normal duties.

7. Within a short period of time, but not later than two weeks from the date of this agreement, steps shall be taken to terminate the economic and financial measures adopted in connection with the current controversy, including restrictions relating to travel, transportation, communications, and transfers of funds between the two countries. Likewise the United Kingdom shall request third countries that have adopted similar measures to terminate them by that date.

4. The United Kingdom and Argentina shall each appoint, and the United States agrees to appoint, a representative to constitute a Special [Interim] Commission which shall provide observers to verify compliance with the obligations in the preceding paragraphs. Each Commissioner may be supported by a staff of not more than ten persons.

5. On an interim basis, 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] Commission, except in the event that the Special [Interim] Commission deems such decisions, laws or regulations to be inconsistent with the purposes of this agreement or its implementation. The traditional local administration shall continue, including the Executive and Legislative Councils, which would be enlarged to include representatives of the Argentine population whose period of residence on the islands is equal to that required of others entitled to representation, such representatives to be in proportion to that population subject to there being at least one such representative on each Council. The Special [Interim] Commission shall fly the flag of each of its constituent members at the Commission's headquarters.

3. After fifteen days after the date of this agreement and pending a definitive settlement, no military or security forces shall be introduced by the signatories into any of the zones defined by circles of 150 nautical miles radius from the coordinated points.

4. From the date of this agreement, steps shall be taken by the two governments to terminate simultaneously, and without delay, the economic and financial measures adopted in connection with the current controversy, including restrictions relating to travel, transportation, communications, and transfers of funds between the two countries. The United Kingdom without delay shall request the European Communities and third countries that have adopted similar measures to terminate them.

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.

6A) 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 through the executive and legislative councils which shall be enlarged in the following manner: the Argentine Government shall appoint two representatives, who shall serve in each Council; the Argentine population whose period of residence on the Islands is equal to that required of others entitled to representation shall elect representatives to each Council in proportion to their population, subject to there being at least one such representative in each Council. The local police shall be continued under the administration of the councils, with a representation of the

3. After fifteen days after the date of this agreement and pending a definitive settlement, no military or security forces shall be introduced by the signatories into any of the zones defined by circles of 150 nautical miles radius from the coordinated points.

4. On completion of the steps specified in paragraphs 2, 2.1, 2.2, 2.2.1 and 2.2.2 above, shall take measures to terminate simultaneously, and without delay, the economic and financial measures adopted in connection with the current controversy, including restrictions relating to travel, transportation, communication, 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 them.

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 ten persons.

6A) 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 be re-established including the executive and legislative councils each of which shall be enlarged to include one representative of the Argentine population resident in the Islands to 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.

6B) 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.

(No paragraph 3)

4. 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, transportation, 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 them.

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.

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 is equal to that required of others entitled to representation, in proportion to their population, subject to there being at least one such representative in each Council. Such

3. 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, transportation, 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 them.

4. 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 (hereinafter, 'the Authority') which shall verify compliance with the obligations in this Agreement (with the exception of Paragraph 2), and undertake such other responsibilities as are assigned to it under this Agreement or the separate Protocol regarding the Authority signed this date. Each representative may be supported by a staff of not more than ten persons on the Islands.

5.1. 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 Authority, except in the event that the 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 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 Authority.

resident Argentine population, and shall be subject to the supervision of the special interim authority. The flags of each of the constituent members of the special interim authority shall be flown at its headquarters.

6B) 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.

6. The Special [Interim] Commission shall make specific recommendations to the two governments or to the Executive and Legislative Councils, to facilitate and promote travel, transportation, communications and trade between the mainland and the islands.

7A) 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 for adoption appropriate measures on such matters, including possible arrangements for compensation of islanders who do not wish to remain. The two signatories undertake to respond promptly to such proposals. The special interim authority shall monitor the implementation of all such proposals adopted.

7B) Pending a definitive settlement, the rights and guarantees which have heretofore been enjoyed by the inhabitants of the islands will be respected, on an equal basis, in particular rights relating to freedom of opinion, religion, expression, teaching, movement, property, employment, family, customs, and cultural ties with countries of origin.

7A) Pending a definitive settlement the special interim authority shall make proposals to the two governments to facilitate and promote trade, transportation Communications, (including the movement of persons) between the mainland and the islands. Such proposals shall simultaneously be transmitted to the Executive and Legislative Councils for their views. The two governments undertake to respond as soon as possible to such proposals. The special interim authority shall monitor the implementation of all such proposals agreed by the two governments.

7B) Pending a definitive settlement, the rights and guarantees which have heretofore been enjoyed by the inhabitants of the islands will be respected, [on an equal basis,] in particular rights relating to freedom of opinion, religion, expression, movement, employment, family, customs, and cultural ties with countries of origin.

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.

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.

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.

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

5.2. 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.

6.1. 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 a non-discriminatory basis, be promoted and facilitated. The Authority shall propose to the two Governments for adoption appropriate measures on such matters. Such proposals shall simultaneously be transmitted to the Executive and Legislative Councils for their views. The two Governments undertake to respond promptly to such proposals. The Authority shall monitor the implementation of all such proposals adopted.

6.2. The provisions of Paragraph 6.1 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.

7. December 31, 1982, will conclude the interim period during which the two Governments 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

SECRET

8. December 31, 1982, will conclude the interim period, and during this period the conditions of the definitive status of the Islands shall be negotiated consistently with the Purposes and Principles of the United Nations Charter.

8. December 31, 1982, will conclude the interim period during which the signatories shall conclude negotiations on modalities for the 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 applicable to this dispute, in accordance with the purposes and principles of the Charter of the United Nations and Resolution 1514 (XV) and 2065 (XX) [sic] and in the light of relevant resolutions of the General Assembly of the United Nations on the "Question of the Falkland (Malvinas) Islands". The negotiations hereabove referred to shall begin within fifteen days of the signature of the present agreement.

8. A December 31, 1982, will conclude the interim period during which the signatories shall negotiate mutually agreed conditions for the definitive status of each of the three groups of Islands in accordance with the purposes and principles of the Charter of the United Nations and bearing in mind relevant General Assembly Resolutions. The negotiations shall begin within fifteen days of the signature of the present agreement.

8. 31 December, 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.

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 here above referred to shall begin within fifteen days of the signature of the present Agreement.

8. 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 Governments, including proposals and recommendations on:

8.1. The manner of taking into account the wishes and interests of the Islanders, in so far 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;

8.2. 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

8.3. Such other matters as the two Governments 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.

8.4. The Governments have agreed on the procedure in sub-paragraph 8.1 without prejudice to their respective positions on the legal weight to be accorded such opinion in reaching a definitive settlement.

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 co-operation 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.

10. The United States Government has indicated that, at the request of the two governments, it would be prepared to assist them in bringing their negotiations to a mutually satisfactory settlement by the date stipulated in subparagraph (A).

10. The United States Government has indicated that, at the request of the two governments, it would be prepared to assist them in bringing their negotiations to a mutually satisfactory settlement by the date stipulated in subparagraph (A).

10. Should the signatories nonetheless be unable 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.

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

9. Should the Governments nonetheless be unable to conclude the negotiations by December 31, 1982, the United States has indicated that, on the request of both Governments, 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 Governments on the basis of procedures that it shall formulate. The two Governments agree to respond within one month to any formal proposals or recommendations submitted to them by the United States.

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

ANNEX B

THE 'US/PERUVIAN' PROPOSAL

- (a) 2 May Draft proposals given to Mr Pym by Mr Haig in Washington, allegedly following discussion between the US and Peru.
- (b) 3 May The Peruvian Government's proposals (n.b. although this series became known as the Peruvian or US/Peruvian proposals, this was the only one we ever received from the Peruvian Government and they subsequently rejected our attempts to amend it).
- (c) 3 May The draft as further amended by the US.
- (d) 4 May HMG's proposals for amendments.
- (e) 5 May The US Government refuse to accept such extensive amendments and produce a re-draft.
- (f) 5 May HMG indicates that it could accept the US draft with minor changes. But by this time Argentine attention was focussing on the UN and the proposals were not accepted.

SECRET

4. HMG: 4 May

1. An immediate ceasefire, concurrent with:
2. Mutual withdrawal of forces:
 - a) Argentine and British forces to begin immediately to withdraw from an area of 200 nautical miles radius from the Falkland Islands and to refrain from introducing any forces into that area.
 - b) The UK will ensure safe passage for the Argentine garrison to the mainland.
 - c) All British and Argentine forces to be withdrawn within 7 days from the area of 200 nautical miles radius from the Falklands and to remain outside that area.
3. The immediate introduction of a Contact Group composed of Brazil, Peru, the Federal Republic of Germany and the United States into the Falkland Islands on a temporary basis pending agreement on a definitive settlement, the Group's tasks being:
 - a) To verify the withdrawal:
 - b) To ensure that no actions are taken in the Islands, by the restored administration or otherwise, which would contravene this interim agreement.

4. Britain and Argentina acknowledge the existence of differing and conflicting views regarding the status of the Falkland Islands.

5. The two governments agree that the views of the Islanders must be determined, and that their interests and wishes must be respected in the definitive settlement of the status of the Islands.

6. The two governments will make every possible effort in good faith to reach a definitive agreement prior to 30 April 1983. The countries represented in the Contact Group will give every assistance in this.

5. US: 5 May

1. An immediate ceasefire, concurrent with:
2. Mutual withdrawal and non-reintroduction of forces, according to a schedule to be established by the Contact Group.
3. The immediate introduction of a Contact Group composed of Brazil, Peru, the Federal Republic of Germany and the United States into the Falkland Islands on a temporary basis pending agreement on a definitive settlement. The Contact Group will assume responsibility for:
 - a) Verification of the withdrawal:
 - b) Ensuring that no actions are taken in the Islands, by the local administration, which would contravene this interim agreement: and
- c) Ensuring that all other provisions of the agreement are respected.

4. Britain and Argentina acknowledge the existence of differing and conflicting views regarding the status of the Falkland Islands.

5. The two governments acknowledge that the aspirations and interests of the Islanders will be included in the definitive settlement of the status of the Islands.

6. The Contact Group will have responsibility for ensuring that the two governments reach a definitive agreement prior to April 30, 1983.

6. HMG: 5 May

1. An immediate ceasefire, concurrent with:
2. Mutual withdrawal and non-reintroduction of all forces, according to a schedule to be established by the Contact Group.
3. The immediate introduction of a Contact Group composed of Brazil, Peru, the Federal Republic of Germany and the United States into the Falkland Islands on a temporary basis pending agreement on a definitive settlement. The Contact Group will assume responsibility for:
 - a) Verification of the withdrawal:
 - b) Administering the Government of the Falkland Islands in the interim period in consultation with the elected representatives of the population of the Islands and ensuring that no actions are taken in the Islands which would contravene this interim agreement: and
- c) Ensuring that all other provisions of the agreement are respected.

4. Britain and Argentina acknowledge the existence of differing and conflicting views regarding the status of the Falkland Islands.

5. The two governments acknowledge that the aspirations and interests of the Islanders will be included in the definitive settlement of the status of the Islands.

6. The Contact Group will have responsibility for ensuring that the two governments reach a definitive agreement prior to April 30, 1983.

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SECRET

1. US/Peru: 2 May

1. An immediate ceasefire.
2. A mutual withdrawal of forces.

2. Peru: 3 May

1. Immediate ceasefire.
2. Mutual withdrawal of forces.

3. US: 3 May

1. An immediate ceasefire.
2. A mutual withdrawal of forces.

3. The involvement of third parties on a temporary basis in the administration of the Islands.

3. Introduction of third parties to administer the Islands temporarily.

3. The presence of third parties to administer the Islands on a temporary basis.

4. Acceptance by both parties of the fact that a dispute over sovereignty exists.

4. The two governments acknowledge the existence of conflicting views with respect to the Islands.

4. The two governments acknowledge the existence of differing and conflicting views regarding the status (situacion) of the Islands.

5. Acknowledgement that the views and interests of the Islanders must be taken into account in reaching a definitive settlement.

5. The two governments acknowledge the need to take into account the aspirations and interests of the Islanders in the final solution.

5. The two governments acknowledge that the aspirations and the interests of the Islanders must be taken into account in the definitive settlement (solucion) of the problem.

6. A contact group of Brazil, Peru, the FRG and the United States would be formed.

6. The third parties or Contact Group would be composed of Brazil, Peru, West Germany and the US. 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.

6. The Contact Group that would become involved immediately in the negotiations to carry out this agreement would be composed of Brazil, Peru, the Federal Republic of Germany, Jamaica, Venezuela and the United States of America.

7. A definitive agreement would have to be reached by 30 April 1983, for which the Contact Group would be responsible.

7. The final solution will be reached no later than 30 April 1983 under the guarantee of the Contact Group.

7. A definitive agreement (acuerdo) will be reached prior to April 30 1983, for which the countries listed above will have responsibility.

SECRET



ANNEX C

THE BRITISH PROPOSAL FOR AN INTERIM AGREEMENT

1. During his visit to New York on 2 May the Foreign and Commonwealth Secretary was handed by the UN Secretary-General an
A aide-memoire proposing 'provisional measures' for an interim solution. The same document was given to the Argentines.

2. Because of consideration of the US/Peruvian proposals (see Annex B) no reply was sent to the aide-memoire until 6 May when we agreed that the Secretary-General should now try to find an acceptable solution. He held many meetings over the next 10 days with both the British Ambassador to the UN and the Argentine deputy Foreign Minister to discuss in great detail the development of the broad ideas outlined in his aide-memoire. However, at no stage was any draft proposal put to us or the Argentines for a view.
B The British proposals for an interim agreement had naturally gone through several drafting stages both in UKMIS New York and in London and they obviously reflected the many discussions with the Secretary-General, but the first he saw of them was on 17 May, when he was asked to present them to the Argentines as the final
C British position. The Argentines made an unacceptable counter-proposal on 19 May and the Secretary-General also made a final
D attempt to resolve the dispute by means of a last minute aide-memoire to both parties on 19 May. The British proposal was published on 20 May.

Annex A

FC-25/1

(153)

UNITED NATIONS  NATIONS UNIES

ANNEX C: SECRETARY GENERAL'S AIDE MEMOIRE OF 2 MAY

Aide-Mémoire

The Secretary-General is deeply concerned over the grave situation that has developed as a result of the failure thus far to achieve an understanding between the Governments of Argentina and of the United Kingdom of Great Britain and Northern Ireland that would avert further armed conflict and open the way to a peaceful solution of their dispute over the Falkland Islands (Islas Malvinas).

The Secretary-General believes that, in this situation, the United Nations has a most serious responsibility under the Charter urgently to restore peace and to promote a just and lasting settlement.

To this end, it is imperative that the terms of resolution 502 (1982) be implemented without delay. Accordingly, the Secretary-General would suggest that the two Governments agree to take simultaneously the steps set out below, which are conceived as provisional measures, without prejudice to the rights, claims or positions of the parties.

UNITED NATIONS  NATIONS UNIES

- 2 -

It is proposed that, as from specified time T:

(a) The Argentine Government begin withdrawal of its troops from the Falkland Islands (Islas Malvinas) and the United Kingdom Government redeploy its naval forces and begin their withdrawal from the area of the Falkland Islands (Islas Malvinas), both Governments to complete their withdrawals by an agreed date;

(b) Both Governments commence negotiations to seek a diplomatic solution to their differences by an agreed target date;

(c) Both Governments rescind their respective announcements of blockades and exclusion zones, and cease all hostile acts against each other;

(d) Both Governments terminate all economic sanctions;

(e) Transitional arrangements begin to come into effect to supervise implementation of the above steps and to meet interim administrative requirements.

UNITED NATIONS  NATIONS UNIES

- 3 -

The Secretary-General wishes to reiterate his readiness to do all he can to be of assistance, and to recall in this connexion his conversations with the Permanent Representatives of the parties on 19 April 1982 in the course of which he indicated ways in which the United Nations might be of help. Practical arrangements for any United Nations role can be completed expeditiously, subject to the consent of the parties and to the decision of the Security Council.

The Secretary-General expresses the earnest hope that the two Governments will speedily signify their readiness to accept the approach outlined above. It would be appreciated if written communications in this regard were received in time to permit the Secretary-General to make a public announcement on 5 May 1982. In that case, the Secretary-General would propose that time T be set for 11.00 hours EDT on 6 May 1982.

2 May 1982