



Foreign and Commonwealth Office

London SW1A 2AH

12 May, 1982

Dear John,

Falkland Islands

Following ODSA's discussion of the further instructions for Sir A Parsons now required, I enclose two draft telegrams to New York, the first covering the various points raised during yesterday's discussions between Sir A Parsons and the Secretary General and a second covering South Georgia. In the interests of speed, I am sending the first telegram over in rough draft form only. Obviously the need is to get these telegrams off to Sir A Parsons as soon as possible.

The Attorney General has been consulted about the terms of the first telegram and is content.

Yours ever

J E Holmes

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Private Secretary

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File No.....

Department PLANNING STAFF

OUTWARD

Drafted by (Block Capitals) H JAY

TELEGRAM

Tel. Extn.....

Security Classification CONFIDENTIAL
Precedence FLASH
DESKBY Z

FOR COMMS. DEPT. USE	Despatched (Date) (Time) Z	POSTBY Z
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PREAMBLE

(Time of Origin) Z (G.M.T.) (Restrictive Prefix)
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 (Codeword) (Deskby) Z

TO FLASH UKMIS NEW YORK Tel. No. of
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REPEATED TO (for info) IMMEDIATE WASHINGTON

SAVING TO (for info)

Distribution:-

[TEXT]

Falklands Selective

YOUR TELNOS 728 AND 729 : FALKLAND ISLANDS

1. The Argentine formula on sovereignty is a considerable improvement, subject to agreement on what happens at the end of the interim period if no definitive solution is reached, ^{after the target date} and The Argentines have also moved on some other points. But serious problems remain, particularly, as you say, the questions of the Dependencies and of ^{interim} administrative arrangements, ~~during the interim period.~~ We are particularly concerned that the Argentines ~~may~~, having apparently given way on



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'non prejudging', ^{may} try to engineer changes in conditions on the Islands during the interim period so as considerably to reduce the chances of any outcome unfavourable to them.

2. In further discussions with the Secretary General you should be guided by the following points:

a. "Non prejudging". The Argentine text is much better than earlier ones and we could probably accept it at the end of the day, including the reference to the UNGA resolutions, although you should, in part for tactical reasons, continue to say that we may have reservations about these references. Furthermore although the last sentence of the formula is legally sound it ^{may} ~~might~~ cause us difficulties in presentation. ~~There is for example because~~ ^(There is) no mention of self-determination. You should tell the Secretary General that it would help to remove continuing doubts in our minds about Argentine intentions, in the negotiations, if they were to cease making statements in public which suggest that sovereignty is not negotiable.

b. Position after 31 December 1982, if no definitive solution is agreed by then. This is a key point. We cannot allow a vacuum, which might tempt the Argentines to invade again. Nor can we accept any arrangement which would require the Security Council to

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approve the continuation of the interim period, since the Russians ^{might} ~~may~~ veto it, thus leading to the vacuum we must avoid. ~~For this reason we should avoid the language in Article 7(3) of your telno 713, even though it might be said to be governed by Article 8. If it is to be included it would need to be amended to read "If no agreement has been reached by 31 December 1982, the Secretary General shall submit a report to the Security Council about the progress achieved in the negotiations, together with any recommendations about their future conduct".~~

It would seem best here to put the actual target date in order to avoid giving any impression that if no agreement were reached between 10 and 31 December 1982, the interim arrangements might fall away.

Distance of Withdrawal. At first sight we do not like Ahmed's ideas, though ~~we cannot make any serious comment until we have seen them on a map.~~ it is not entirely clear exactly what he means. He appears to be including Smit.

argue for the language in Article 2 of your telno 713.

d. Verification of withdrawal and non-introduction of forces. *how these are* A major anxiety is ~~the verification of~~

~~withdrawal and non-reintroduction of forces~~ is to be guaranteed. Our ^{strong} preferences would be for ^a multilateral verification arrangement, ~~to include US involvement,~~ *with* ~~though we do not think we can stop the Secretary~~ *we need not*

General from pursuing the matter with the Canadians, *but* please ask ~~the Secretary General precisely how he sees this being done.~~ *him for a full account of his latest intentions and do all you can to influence them towards some kind of US involvement.*

~~Administrative arrangements on the Islands during~~

Interim

Article 8 in your telno 713 would do the trick. ~~But~~ But

Geopin, which is unacceptable (see separate telegram)

the Interim period. The Argentine proposals are ~~clearly~~ unacceptable. The ^{absolute} minimum we could accept would be the ^{revised version^h of} ~~formulation in~~ Article 6(4) of your telno ^(Suggested below) 713, though even this, referring as it does only to 'consultation' with the Executive and Legislative Councils, ~~would be very~~ ^{has presented} difficult^{is} for us.

~~has presented~~
^{very considerable}

We see a real dilemma over the role of the UN Administrator. If we allow him wide terms of reference there is a risk that he would assume powers and responsibilities which would be quite unacceptable to us. But if we try now to negotiate detailed terms of reference it could spin out negotiations and lead to ^{further} major difficulties.

Please tell the Secretary General that we assume that Argentine withdrawal will include withdrawal of any administration, whether military ^{or} ~~of~~ supposedly civil, that may ^{have been} ~~be~~ instituted on the Islands since the invasion. Our view is that the UN Administrator would then assume the role of officer administering the Government in the manner previously conducted by the Governor, ie acting through the administrative personnel remaining since ~~which~~ before the invasion plus some officers, such ~~as the Chief Secretary~~, who ^{will} ~~may~~ return.

~~It would be helpful to have~~ these ideas ^{more contained} reflected in the agreement, perhaps ^{by revised versions of paragraphs} ~~on the following lines~~

3 and 4 of Article 6 of your draft on the following lines:

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(3) A UN Administrator, being a person acceptable to Argentina and the UK, will be appointed by the Secretary-General and will be the officer administering the Government of the Islands.

(4) The United Nations Administrator will have authority under the direction of the Secretary-General to ensure the continuing administration of the Government of the Islands. He shall despatch his functions in consultation with the Executive and Legislative Councils in the Islands and shall act through the competent officials and institutions of the traditional local administration. He shall exercise his powers in accordance with the terms of this Agreement and in conformity with the spirit of the laws and practices previously observed by the traditional local administration.

We assume that before the UN Administrator takes up his duties he will need ^{definitely} terms of reference more clearly defined than such ^{an} formulation. We should be grateful if you could ask the Secretary General what his plans are on this, making clear to him that we could not agree to open-ended ^{cost branches} arrangements for the Administrator, ^{since} ~~they~~ ^{which} might lead to a significant alteration in the character of life on the Islands during the interim period.

f. Freedom of transit, residence etc. The Argentine requirements set out in paragraph 5 of your telno 704 are unacceptable (for the reasons explained in my para 1 above). We ~~have~~ ^{cannot} wish to revert to the complicated formulae in the Haig drafts. ^{which were unacceptable to the UK} We could however accept wording to the effect that, during the period of interim administration, the provisions of the 1971 Communications Agreement should continue to apply, except as may be otherwise agreed between the parties. The 1971 Agreement does not of course give any general rights to residence or to acquisition of property by

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Argentines; our position should be that this aspect should be dealt with in the negotiations for a definitive settlement. The Agreement requires that decisions relating to the Agreement should be taken by a Joint Consultative Committee (of representatives of the Argentine MFA and the British Embassy). Since this Committee no longer exists, special arrangements would have to be made to reconstitute it; might this possibly be done by using the British and Argentine observers? (You should bear in mind Argentine assertions during the South Georgia incident that the Communications Agreement covered the Dependencies: this, however, has no basis.)

g. Dependencies: see separate telegram.

3. Further comments on the draft agreement in your telno 713 follows shortly.

OUT TELEGRAM

		Classification and Caveats	Precedence/Deskby
		CONFIDENTIAL	FLASH
ZCZC	1	ZCZC	
GRS	2	GRS	
CLASS	3	CONFIDENTIAL	
CAVEATS	4		
DESKBY	5		
FM FCO	6	FM FCO 121700Z MAY 82	
PRE/ADD	7	TO FLASH UKMIS NEW YORK	
TEL NO	8	TELEGRAM NUMBER	
	9	INFO IMMEDIATE WASHINGTON	
	10	YOUR TELS NOS 728 AND 729: SOUTH GEORGIA	
	11	1. Ministers remain of the view that the inclusion of South	
	12	Georgia in the interim arrangements <i>is a major standing block.</i>	
	13	serious difficulties. Quite apart from our title and the fact	
	14	that we are in possession, there are practical considerations.	
	15	2. First, we may well <i>shall probably</i> need to use South Georgia during the	
	16	period of withdrawal. Its anchorages will enable us to conduct	
	17	this operation much more satisfactorily than if they were not	
	18	available. This would clearly be very difficult to provide for in	
	19	an interim agreement involving demilitarisation.	
	20	3. In the slightly longer term (but probably still during the	
	21	period of the interim arrangements), we wish to be able to	
///	22	return the British Antarctic Survey Teams, and to administer them.	
//	23	This could not effectively be done if	
/	24		
	25		
NNNN ends telegram		BLANK	Catchword South
File number		Dept	Distribution Falklands Selective
Drafted by (Block capitals)			
Telephone number 233 5791			
Authorised for despatch			
Comcen reference	Time of despatch		

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1 <<<<
 2 South Georgia's administration ^{were} to be handled by the UN
 3 administrator during the interim period. It would have to be
 4 done from London. We might also have to deal again with the
 5 Davidoff contract or similar requests. ^{And we should not wish to see}
 6 ^{HMS Endurance debarr'd from supporting the BAS personnel.} 4. All these considerations point most strongly to South
 7 Georgia's exclusion. The Argentines were able at least to
 8 contemplate at an earlier stage the exclusion of the
 9 Dependencies from proposed agreements (para 1 of Washington
 10 telno 1686). ~~You should argue with the Secretary General that~~
 11 ~~this, combined~~ ^{Given} with the very real practical considerations
 12 outlined above, ^{totally} make it inappropriate for the Dependencies to
 13 be dealt with in the interim agreement now under discussion. It
 14 is not realistic to think that satisfactory arrangements can be
 15 negotiated in the time available. They would introduce a new
 16 factor of great complexity. Much the best course is to
 17 concentrate on the Falklands only.
 18 5. You should make it clear to the SYG at the same time that
 19 we are not repeat not necessarily saying that the future of
 20 the Dependencies should be excluded from the definitive
 21 negotiations which will follow the present agreement. ^{Why not?} As a
 22 last resort we might be able to agree to their inclusion in
 23 the substantive negotiations although for your own information,
 24 we have it in mind that the Dependencies might be treated quite
 25 differently from the Falkland Islands as regards their future.
 26 6. You could put it to the Secretary General that if the
 27 question of South Georgia is not included in his interim
 28 agreement, we may be prepared to overlook for the present
 29 ^{illegal Argentine presence on} the ^{question of} the South Sandwich Islands. (Although they too
 30 would be included in the subsequent negotiations. For your
 31 own information, if we were ever to come to contemplate withdrawal
 32 from South Georgia in the interim, we should have to insist upon
 33 total Argentine withdrawal from Southern Thule, ~~where their~~
 34 ~~presence remains illegal.~~

you should not send para 2 at this stage you should argue with the Secretary General that it would be

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