

FALKLAND ISLANDS: FCO SITREP (DETAILED VERSION):0730 HRS, 20 MAY 1982UN DevelopmentsUKMIS New York  
telno 794

1. Contrary to expectations, the Secretary General has handed an aide memoire to the UK and Argentine Governments setting out his proposals for resolving the outstanding questions in the negotiations. The aide memoire states that the four areas where agreement must be reached are:

- (a) certain aspects of the Interim Administration;
- (b) provision for the extension of the time for completion of negotiations and related duration of the Interim Administration;
- (c) certain aspects of mutual withdrawal of forces;
- (d) the geographic area to be covered by the terms of the Interim Agreement.

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telno 793

2. In commenting on the aide memoire, Sir A Parsons considers that it could have formed a good basis for negotiations ten days ago but it is nothing but an embarrassment to us now. The Ambassador considers that the paper is undoubtedly more favourable to us than to Argentina but there is a danger that the Argentinians are likely to accept it as a basis for negotiation and so prolong debate in New York for some weeks. The Ambassador also points out that although the Secretary General has only handed copies to ourselves and to the Argentines he hinted at its existence in a press statement after the meeting of the Security Council.

UKMIS New York  
telno 792UN Background: 19/20 MayFCO telno 431  
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3. Sir A Parsons' instructions for 19 May called on him to obtain final Argentine views in writing; to get the Secretary General to announce that his efforts had come to an end and to convey at the appropriate time that the Argentinian position was unacceptable to us.

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telno 784

4. The text of the Argentinian reply to our draft Interim Agreement was handed over by the UN Secretariat during the morning of 19 May. This was a great deal worse than expected and the Argentines appeared to have reverted to the negotiating position they occupied at the beginning of the Secretary General's initiative.

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5. The text of a statement expressing HMG's disappointment at the negative Argentine reaction was sent to New York and Washington. It was subsequently decided that the statement

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would not be issued until 1100Z 20 May.

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6. Throughout the day events had been moving rapidly in New York. The Secretary General telephoned the Argentine Foreign Minister during the morning and was contemplating despatching envoys to London and Buenos Aires. At a working lunch with the Secretary General, Sir A Parsons asked him to tell the Argentines that HMG had found their response totally unacceptable. We had therefore drawn a line under the current negotiations. Although the Secretary General undertook to pass this information he indicated that he still intended to keep his options open.

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7. The Secretary General subsequently telephoned President Galtieri and the Prime Minister. Reportedly, his conversation with Galtieri had been 'grotesque'. The latter argued that the British were inflexible and suggested a meeting of Foreign Secretaries in New York. Conversely, the Secretary General was 'delighted' with his conversation with the Prime Minister although he formed the idea that she had not excluded the continuation of the present round of negotiations.

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8. There was an informal meeting of the Security Council to hear a report by the Secretary General on the progress of his initiative. The meeting went well and there was no call for a formal meeting of the Security Council. Sir A Parsons felt that our position was comfortable following this meeting.

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#### Washington Developments

Washington  
no 1823 to  
of 19 May

9. Mr Haig has been keeping Sir N Henderson informed of American reactions to developments in the UN and to reports of the UN Secretary General's initiative. In their first conversation Haig said that Mrs Jeane Kirkpatrick had reported from the UN that she had found the British proposal very reasonable and had urged the Argentines to accept it. She also reported that the UN Secretary General had characterised the British line as hard but fair and had also urged Argentine acceptance. In the second conversation which took place when reports of the UN Secretary General's initiative had started to circulate, Haig said he thought that the Secretary General's plan would probably be something which we could live with although he realised our time difficulty. He also said that he believed the Argentines would accept the Secretary General's plan.

#### Comment

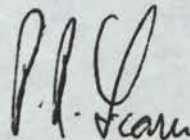
10. The Secretary General's decision to produce his own paper has added a new and awkward element to the situation. The main points requiring urgent consideration today are:

- (a) instructions to Sir A Parsons on how to respond to the Secretary General's aide memoire. Our reaction has been asked for as soon as possible this morning, New York time. Sir A Parsons proposes a line to take in paragraph 6 of UKMIS New York telno 793;

- (b) how to handle the Secretary General's intervention with the press and in Parliament, taking into account that the Secretary General has said in public that he has proposed ideas to us and to Argentina;
- (c) the timing and content of a statement this morning at 1100Z;

11. The Secretary General's aide memoire deals only with areas where, in his view, there remain serious disagreements. Although, as Sir A Parsons has commented, they are more favourable to us than to Argentina, they contain various points of difficulty, eg:

- (a) that the Dependencies should be included in negotiations for a final settlement;
- (b) reference to UN resolutions;
- (c) flags;
- (d) fuzziness on the extension of a UN administration if the first target is not met;
- (e) consideration of 'relaxation of restrictions on residence and acquisition of property'.



P R Fearn  
Emergency Unit

20 May 1982