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FM BERNE 100930Z

TO IMMEDIATE FCO TELNO 42 OF 10 APRIL

FALKLAND ISLANDS

FOLLOWING IS THE TEXT OF A TELEX MESSAGE WHICH WE RECEIVED
ON 09 APRIL. I HAVE INFORMED MR KELLER THAT HIS MESSAGE IS BEING
FORWARDED TO LONDON.

BEGINS

~~TO~~ THE AMBASSADOR

YOUR EXCELLENCY,

AT THE REQUEST OF DRES. GILBERT BAECHTOLD, GILBERT DUBOULE AND

AT THE REQUEST OF DRES. GILBERT BAECHTOLD, GILBERT DUBOULE AND EDGAR OEHLER, MEMBERS OF THE SWISS PARLIAMENT, I AM HONORED TO SUBMIT TO YOUR CONSIDERATION THE FOLLOWING DRAFT PROPOSAL WHICH IS INTENDED TO SERVE AS A CATALYST FOR A PEACEFUL, PROMPT AND EQUITABLE SOLUTION OF THE SIMMERING CONFLICT OVER THE CONTESTED SOUTH ATLANTIC ISLANDS.

THE ALABAMA CLAIMS -- WHICH WERE SUCCESSFULLY ARBITED IN GENEVA IN 1872 UNDER THE AUSPICES OF THE SWISS GOVERNMENT -- MIGHT NOW BE RECALLED WITH MUTUAL BENEFIT. SHOULD YOUR GOVERNMENT FIND IT POSSIBLE AND INDICATED TO FOLLOW UP ON THE IDEAS THUS PRESENTED, WE ARE CONFIDENT THAT THE SWISS GOVERNMENT, TOO -- AND AGAIN -- WOULD BE READY, WILLING AND ABLE TO RESPOND FAVORABLY TO ANY SUCH REQUEST FOR ASSISTANCE.

NATURALLY, WE WOULD SUPPORT ANY SUCH ASSISTANCE AND BE GLAD TO AVAIL OUR GOOD OFFICES TO SAID ENDS IN ANY OTHER WAY DEEMED INDICATED AND DESIRED.

RESPECTFULLY YOURS,

H. ANTON KELLER, PARLIAMENTARY ADVISER
WENKENHOF

4125 RIEHEN SWITZERLAND

061/496848

TELEX: 63113 TXKAB CH (ATTN KELLER 496848)

PROPOSED AGREEMENT TOWARDS RESOLVING OUTSTANDING ISSUES CONCERNING THE ARGENTINE REPUBLIC AND THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND

1. IN ORDER TO FACILITATE A NEGOTIATED PROMPT AND EQUITABLE SETTLEMENT OF THE OUTSTANDING ISSUES BETWEEN THE TWO COUNTRIES, THE ARGENTINE GOVERNMENT UNDERTAKES TO CONFINE ITS MILITARY TROOPS TO WITHIN ITS MUTUALLY UNDISPUTED BORDERS OF SOVEREIGNTY.
2. IN ORDER TO FACILITATE A NEGOTIATED PROMPT AND EQUITABLE SETTLEMENT OF THE OUTSTANDING ISSUES BETWEEN THE TWO COUNTRIES, THE BRITISH GOVERNMENT UNDERTAKES TO CONFINE ITS MILITARY TROOPS TO WITHIN ITS MUTUALLY UNDISPUTED BORDERS OF SOVEREIGNTY.
3. THE ARGENTINE GOVERNMENT AND THE BRITISH GOVERNMENT HEREBY JOINTLY INVITE THE ... GOVERNMENT(S)
A) TO DISPATCH TO THE AREA OF DISPUTE A TEAM OF MILITARY

3 THE ARGENTINE GOVERNMENT AND THE BRITISH GOVERNMENT HEREBY
JOINTLY INVITE THE ... GOVERNMENT(S)

- A) TO DISPATCH TO THE AREA OF DISPUTE A TEAM OF MILITARY
OBSERVERS WHOSE TASK SHALL BE THE MONITORING AND VERIFICATION
OF THE FULFILLMENT OF THE ABOVE UNDERTAKINGS,
AND, UPON COMPLETION OF SAID TROOP CONFINEMENT,
- B) TO APPOINT A MEDIATOR WHOSE TASK SHALL BE THE PROMOTION OF
A PROMPT AND EQUITABLE SETTLEMENT OF THE OUTSTANDING ISSUES,
IN ACCORDANCE WITH THE ESTABLISHED PRINCIPLES OF INTERNATIONAL
LAW, IT BEING UNDERSTOOD THAT IN THIS COURSE EITHER PARTY
MAY SEEK A FINAL AND MUTUALLY BINDING DECISION TO BE RENDERED
BY THE INTERNATIONAL COURT OF JUSTICE IN THE HAGUE.

END

ENDS

LEE

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100950Z

ARGENTINE GOVERNMENT

BRITISH GOVERNMENT

JOINTLY INVITE THE ... GOVERNMENT(S)
TO DISPATCH TO THE AREA OF DISPUTE A TEAM OF MILITARY
OBSERVERS WHOSE TASK SHALL BE THE MONITORING AND VERIFICATION
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FM BERNE 101450Z

TO IMMEDIATE FCO
TELNO 44 OF 10 APRIL

FROZEN ARGENTINE ACCOUNTS IN THE UK

THE FOLLOWING IS OUR TRANSLATION OF A MESSAGE RECEIVED BY THE BRITISH INTERESTS SECTION OF THE SWISS EMBASSY IN BUENOS AIRES AND SENT TO US IN GERMAN BY THE FEDERAL DEPARTMENT OF FOREIGN AFFAIRS IN A NOTE DATED 10 APRIL (COPIES BY BAG).

BEGINS:

QUOTE

ON THE OCCASION OF A DISCUSSION WITH AMBASSADOR KELLER SARMIENTO WITH REGARD TO THE EXPORT OF BRITISH TELEX MATERIAL, THE OFFICIAL OF THE FOREIGN MINISTRY MENTIONED THE FOLLOWING:

1. HE HAD LEARNED VIA THE BRAZILIAN EMBASSY THAT THE BRITISH GOVERNMENT HAD FREED THE PRIVATE (BANK) ACCOUNTS OF THE ARGENTINE

WITH REGARD TO THE EXPORT OF BRITISH TELEX MATERIAL, THE OFFICIAL OF THE FOREIGN MINISTRY MENTIONED THE FOLLOWING:

1. HE HAD LEARNED VIA THE BRAZILIAN EMBASSY THAT THE BRITISH GOVERNMENT HAD FREED THE PRIVATE (BANK) ACCOUNTS OF THE ARGENTINE DIPLOMATS. THE ARGENTINE GOVERNMENT WOULD ALSO FREE THE PRIVATE ACCOUNTS OF THE BRITISH DIPLOMATS NEXT MONDAY (12 APRIL).
2. AS THE OFFICIAL ACCOUNTS OF THE ARGENTINE EMBASSY STILL REMAIN FROZEN, THE SAME MEASURE WILL CONTINUE TO REMAIN IN FORCE FOR THE ACCOUNTS OF THE BRITISH EMBASSY.

3. THE BRITISH GOVERNMENT IS THOUGHT TO HAVE FROZEN THE PRIVATE ACCOUNTS OF ARGENTINE CITIZENS. THIS HITS -KELLER SARMIENTO ADDED SLIGHTLY SENTIMENTALLY- ABOVE ALL STUDENTS AND SMALL BUSINESS MEN. IN THE CASE THAT LONDON DOES NOT FREE THESE ACCOUNTS NEXT TUESDAY (13APR), THEN BUENOS AIRES WILL TAKE COUNTER MEASURES. UNQUOTE.

WE WOULD BE GRATEFUL FOR THE IMMEDIATE COMMENTS OF THE FCO, IN PARTICULAR ON PARA 3. WE WOULD LIKE TO POINT OUT THAT THOUSANDS OF BRITONS LIVE HERE.

ENDS.

LEE

NNNN

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FM BERNE 091815Z

TO IMMEDIATE FCO

TELNO 38 OF10 APRIL

MB

MY IMMEDIATELY PRECEDING TELEGRAM.

BRITISH INTERESTS IN ARGENTINA

FOLLOWING IS OUR TRANSLATION OF THE FIRST SWISS NOTE. BEGINS:

QUOTE THE FEDERAL DEPARTMENT OF FOREIGN AFFAIRS HAS THE HONOUR TO SUBMIT TO HEM EMBASSY A SERIES OF QUESTIONS PUT BY THE BRITISH INTERESTS SECTION OF THE SWISS EMBASSY IN BUENOS AIRES ABOUT ADMINISTRATION AND CONSULAR AFFAIRS.

1. ACCOUNTS

1.1. TAKE-OVER OF BANK ACCOUNTS: THE BALANCE OF THE PESO ACCOUNT OF THE BRITISH EMBASSY WILL BE TRANSFERRED AS SOON AS POSSIBLE TO A NEW ACCOUNT IN THE NAME OF THE SWISS EMBASSY FOREIGN INTERESTS SECTION SUBJECT TO THIS BALANCE HAVING BEEN UNFROZEN BY THE ARGENTINE AUTHORITIES.

WHAT SHOULD BE DONE ABOUT THE STERLING ACCOUNT OF THE FORMER BRITISH EMBASSY? IF UNBLOCKED, SHOULD THE BALANCE BE TAKEN OVER BY THE SWISS EMBASSY AND USED FOR RUNNING EXPENSES OR SHOULD EFFORTS BE MADE TO REPATRIATE THESE FUNDS?

1.2. PAYMENTS WITH REGARD TO EXPENSES PRIOR TO THE TAKE-OVER.

... WITH REGARD TO THE PAYMENT OF ALL

EFFORTS BE MADE TO REPATRIATE THESE FUNDS?

1.2. PAYMENTS WITH REGARD TO EXPENSES PRIOR TO THE TAKE-OVER. DOES THE FCO IMPOSE RESTRICTIONS WITH REGARDS TO THE PAYMENT OF ALL KINDS OF CLAIMS IN SUSPENSE SINCE THE BREAK-OFF OF RELATIONS?

ARE THE REMAINING BRITISH DIPLOMATS COMPETENT TO AUTHORISE OR REFUSE THE PAYMENT OF CERTAIN DEBTS CHARGEABLE TO THE BRITISH GOVERNMENT? DO THEIR DECISIONS IN SUCH MATTERS COMMIT THE FCO WITH REGARD TO THE PROTECTING POWER?

1.3. BRITISH COUNCIL

A. SEPARATE ACCOUNTS WILL HAVE TO BE SET UP WITHIN THE ACCOUNTS OF THE BRITISH INTERESTS SECTION.

B. WHAT IS TO HAPPEN WITH RESPECT TO QUESTIONS UNDER POINT 1.2 AS REGARDS THE BRITISH COUNCIL?

1.4. ADVANCE OF FUNDS TO THE BRITISH DIPLOMATS WHO REMAIN. IN VIEW OF THE BLOCKAGE OF FUNDS AND THE DELICATE SITUATION OF THE BRITISH STAFF, ARE WE AUTHORISED TO ADVANCE MONEY TO THEM FOR PRIVATE PURPOSES FROM FOREIGN INTEREST SECTION FUNDS?

2. BRITISH DIPLOMATS FORMING PART OF THE FOREIGN INTERESTS SECTION - PLEASE DEFINE AS QUICKLY AS POSSIBLE THEIR PRECISE FUNCTIONS IN THE FOREIGN INTERESTS SECTION AND THEIR COMPETENCE AND RESPONSIBILITIES IN EACH FIELD.

3. CONSULAR ACTIVITIES

IN THE CONTEXT OF CONSULAR ACTIVITIES TO BE CARRIED OUT ON BEHALF OF GREAT BRITAIN, WE WOULD LIKE TO RECEIVE A PRECISE AND COMPLETE LIST OF DUTIES, ALSO DEFINING THE COMPETENCE OF THE BRITISH DIPLOMATIC PERSONNEL REMAINING IN POST.

4. BRITISH COMMUNITY

FOLLOWING THE BRITISH GOVERNMENT'S APPEAL TO BRITISH SUBJECTS TO LEAVE THE COUNTRY, THERE IS A WAVE OF ANXIETY IN THE COMMUNITY. WHAT ASSISTANCE IN EVACUATION CAN WE GIVE IF THE NEED ARISES?

5. WHAT ARE THE ENTRY REQUIREMENTS - IE THE ATTITUDE OF THE BRITISH AUTHORITIES TOWARDS ARGENTINES? AND OUR COMPETENCE IN THE MATTER (VISA)?

THE DEPARTMENT WOULD BE OBLIGED IF THE EMBASSY COULD LET IT KNOW AS QUICKLY AS POSSIBLE THE BRITISH AUTHORITIES' REPLIES TO THE ABOVE QUESTIONS UNQUOTE.

ENDS

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