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FM UKMIS NEW YORK 210005Z SEP 84

TO IMMEDIATE FCO

TELEGRAM NUMBER 866 OF 20 SEPTEMBER 1984.

INFO IMMEDIATE NICOSIA

PRIORITY ATHENS, ANKARA, WASHINGTON

ROUTINE PARIS, BONN, ROME, UKDEL NATO

MY TELNO 853: CYPRUS: UN SECRETARY-GENERAL'S INITIATIVE

SUMMARY

1. FIRST ROUND OF PROXIMITY TALKS CONCLUDED THIS EVENING. THEY WILL RESUME ON 15 OCTOBER. NO PROGRESS ON SUBSTANCE. SECRETARY-GENERAL HAS PRIVATELY ASKED THE TWO SIDES TO RETURN PREPARED TO INDICATE CONCESSIONS. HE HAS ALSO URGED THE AMERICANS TO PRESS THE TURKS FOR TURKISH CYPRIOT CONCESSIONS ON TERRITORY.

DETAIL

2. THE SECRETARY-GENERAL SAW KYPRIANOU AND DENKTASH AGAIN TODAY (20 SEPTEMBER) TO CONCLUDE THIS ROUND OF THE PROXIMITY TALKS. AFTERWARDS HE ISSUED THE PRESS STATEMENT IN MIFT ANNOUNCING A SECOND ROUND ON 15 OCTOBER (AND IMPLICITLY INDICATING THAT THE PARTIES HAD NOT BUDGED FROM THEIR EXISTING POSITIONS IN THE PRESENT ROUND).
3. SHERRY BRIEFED US AND THE CANADIANS THIS EVENING. HE SHOWED US THE TEXT OF A STATEMENT WHICH THE SECRETARY-GENERAL HAD READ

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US THE TEXT OF A STATEMENT WHICH THE SECRETARY-GENERAL HAD READ OUT TO THE TWO LEADERS TODAY ASKING THEM TO DO 'SUBSTANTIVE HOMEWORK' BEFORE 15 OCTOBER AND TO REFLECT ON THEIR POSITIONS. HE URGED THEM WHEN THEY RETURNED TO PROVIDE HIM WITH 'SOLID POLITICAL GUIDANCE' AND TO BE PREPARED TO GIVE 'CONCRETE INDICATIONS OF POTENTIAL NEGOTIATING FLEXIBILITY' IN PARTICULAR AS REGARDS TERRITORY AND THE EXECUTIVE.

4. SHERRY SAID THAT THERE HAD BEEN NO REAL PROGRESS ON SUBSTANCE. THE TURKISH CYPRIOTS HAD CONTINUED TO INSIST ON AN EQUALITY WHICH MEANT GOVERNMENT ONLY BY CONSENSUS OF THE TWO COMMUNITIES. THEY HAD NOT BALANCED THIS HARD LINE ON CONSTITUTION WITH ANY GIVE ON TERRITORY. THEY HAD ALSO SAID ON DE-MILITARISATION THAT THE TRANSITIONAL FEDERAL GOVERNMENT WOULD HAVE TO BE IN PLACE BEFORE THERE COULD BE ANY TROOP WITHDRAWAL.

5. DENKTASH THIS AFTERNOON HAD PRESENTED THE SECRETARY-GENERAL WITH A FURTHER PAPER WHICH HAD YET TO BE STUDIED IN DETAIL BUT WHICH AT FIRST GLANCE MIGHT JUST CONTAIN SOME SLIGHT MODULATION OF THESE POSITIONS. IT REFERRED TO THERE BEING A PRESIDENT AND VICE-PRESIDENT IN TERMS WHICH MIGHT MEAN THAT HE WAS PREPARED TO CONSIDER HAVING A SYMBOLIC PRESIDENCY. IT ALSO REFERRED TO THE POSSIBLE DIVISION OF POWERS BETWEEN THE TWO HOUSES. ON TERRITORY IT SAID THAT THE TURKISH CYPRIOTS WERE WILLING TO MAKE SOME ENLARGEMENT OF THE SIX AREAS ON THEIR 1981 MAP, BUT GAVE NO INDICATION OF HOW MUCH. (KYPRIANOU HAD TOLD THE SECRETARY-GENERAL THAT THE GREEK CYPRIOTS WANTED SUFFICIENT TERRITORY TO RE-SETTLE 36,000 REFUGEES IN VAROSHA AND THE SIX AREAS AND A FURTHER 66,000 ELSEWHERE).

6. SHERRY SAID THAT THE GREEK CYPRIOTS HAD LEFT THE TALKS VERY GLOOMY. THEY CLEARLY FELT THAT THEY WERE GOING HOME TO FACE THEIR CRITICS, INCLUDING PAPANDREOU, WITH NOTHING OF SUBSTANCE TO SHOW FROM THE TALKS. DENKTASH HAD LEFT AS HE CAME, SITTING PRETTY.

7. THE SECRETARY-GENERAL ASKED TO SEE MRS KIRKPATRICK (US) LAST NIGHT. ACCORDING TO THE US MISSION HE TOLD HER THAT THE TALKS HAD NOW GONE AS FAR AS THEY COULD GO AND IT WAS CRITICAL THAT THE TURKISH SIDE SHOULD BE BROUGHT TO MAKE THE NECESSARY CONCESSIONS ON TERRITORY WHICH WOULD ALLOW THE GREEK CYPRIOTS TO MAKE MATCHING CONCESSIONS ON CONSTITUTION. UNLESS THE TWO SIDES WERE PREPARED TO SUGGEST THE KIND OF CONCESSIONS WHICH COULD BREAK THE CURRENT DEADLOCK HIS EFFORTS WOULD BE IN DANGER OF COLLAPSING. HE ASKED THE US TO PUT PRESSURE ON TURKEY.

8. I SHALL SEE THE SECRETARY-GENERAL TOMORROW AFTERNOON AND WILL SEND AN ASSESSMENT OF THE TALKS, INCLUDING HIS VIEWS ON THE WAY AHEAD, IN TIME FOR THE PRIME MINISTER'S MEETING WITH PRESIDENT KYPRIANOU ON MONDAY.

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 TO IMMEDIATE FCO

TELEGRAM NUMBER 853 OF 19 SEPTEMBER
 INFO IMMEDIATE NICOSIA PRIORITY ATHENS, ANKARA, WASHINGTON
 ROUTINE PARIS, BONN, ROME, UKDEL NATO

MY TELNO 835: CYPRUS: UN SECRETARY GENERAL'S INITIATIVE
 SUMMARY ms

1. THE PROXIMITY TALKS FOR THE PAST TWO DAYS HAVE CONCENTRATED ON TERRITORY, LEGISLATURE AND EXECUTIVE. THE SECRETARY-GENERAL IS PRESSING THE TURKISH CYPRIOTS TO BE SPECIFIC ABOUT FURTHER TERRITORIAL CONCESSIONS.

DETAIL

2. SHERRY BRIEFED US AND THE AMERICANS THIS EVENING (18 SEPTEMBER) ON THE LAST TWO DAYS OF TALKS.

3. THE SECRETARY-GENERAL MET WITH KYPRIANOU AND DENKTASH YESTERDAY. TODAY'S TALKS WERE AT WORKING LEVEL BETWEEN SHERRY AND MAVROMMATIS AND ERTEKUN.

4. THE SECRETARY-GENERAL HAD DISCUSSED THREE MAIN POINTS WITH THE TWO LEADERS - THE COMPOSITION OF THE EXECUTIVE, SAFEGAURDS IN THE LEGISLATURE AND ADDITIONAL TERRITORIAL ADJUSTMENTS. SHERRY HAD PURSUED THESE POINTS AT WORKING LEVEL. ON THE EXECUTIVE THE TURKISH CYPRIOTS WERE ASKING FOR A FEDERAL COUNCIL. ON THE LEGISLATURE THEY WANTED ALL ISSUES TO HAVE TO PASS BOTH HOUSES AND SEPARATE MAJORITIES FROM BOTH COMMUNITIES FOR CERTAIN KEY ISSUES. THE GREEK CYPRIOTS WANTED ONLY THOSE ISSUES WHICH IN THE 1960 CONSTITUTION HAD REQUIRED SEPARATE MAJORITIES TO HAVE TO PASS BOTH HOUSES.

5. THE SECRETARY-GENERAL HAD PRESSED THE TURKISH CYPRIOTS TO GIVE SPECIFIC INDICATIONS OF WHAT FURTHER TERRITORIAL CONCESSIONS THEY WERE PREPARED TO CONSIDER BEYOND VAROSHA AND THE SIX AREAS IN THEIR 1961 MAP. THE TURKISH CYPRIOTS WERE BEING VERY RESISTANT AND HAD SAID THAT THEY WERE NOT PREPARED TO CONCEDE ANY NEW AREAS NOR TO ENLARGE WHAT THEY HAD OFFERED ON VAROSHA. THEY WERE PREPARED TO TALK ABOUT ENLARGING THE OTHER SIX AREAS BUT NOT NECESSARILY ALL SIX OF THEM. THEY ALSO REJECTED USING THE NUMBERS OF REFUGEES TO BE RE-SETTLED AS A CRITERIA FOR THE AMOUNT OF TERRITORY REQUIRED, INSISTING INSTEAD ON THE CRITERIA IN POINT 2 OF THE 1977 HIGH LEVEL AGREEMENT (IE ECONOMIC VIABILITY OR PRODUCTIVITY AND LAND OWNERSHIP). SHERRY HAD URGED ERTEKUN STRONGLY TO GIVE AT LEAST SOME FURTHER, IF NECESSARY VAGUE, INDICATION OF WHAT THEY MIGHT OFFER. SHERRY REGARDS THIS AS A KEY POINT BELIEVING THAT THE GREEK CYPRIOTS HAVE CONSIDERABLE FLEXIBILITY ON CONSTITUTIONAL MATTERS IF ONLY THEY CAN BE SURE OF GAINING SUFFICIENT TERRITORY.

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6. SHERRY THOUGHT THAT HE HAD MADE SOME FURTHER PROGRESS WITH ERTEKUN TODAY ON THE MATTER OF DENKTASH'S RIGHT TO DECIDE UNILATERALLY WHETHER THE GREEK CYPRIOTS WERE OBSERVING THEIR SIDE OF THE BARGAIN. ERTEKUN HAD NOT OBJECTED WHEN SHERRY HAD SAID THAT THERE WOULD HAVE TO BE SOME MECHANISM TO DEAL WITH THIS PROBLEM.

7. SHERRY SAID THAT THE SECRETARIAT HAD NOT YET GOT TO THE POINT OF INVOLVING THE TWO SIDES IN A DRAFTING EXERCISE THOUGH THIS COULD COME LATER THIS WEEK. THERE HAD BEEN NO FURTHER DISCUSSION OF A DATE FOR THE NEXT ROUND OF PROXIMITY TALKS BUT SHERRY THOUGHT THAT THESE WOULD BE AROUND 10-15 OCTOBER.

8. THE SECRETARY GENERAL TOLD ME TODAY THAT THERE WAS 'NO PROGRESS' TO RECORD IN THE SENSE OF AGREEMENTS. HE WAS, HOWEVER, CAUTIOUSLY OPTIMISTIC AND WAS THINKING IN TERMS OF A HIGH-LEVEL MEETING AT THE END OF DECEMBER. THE BIGGEST DIFFICULTY AT PRESENT WAS TO KNOW WHAT DENKTASH MEANT BY HIS INSISTENCE ON 'POLITICAL EQUALITY'. THE TURKISH AMBASSADOR LATER TOLD ME THAT THIS MEANT THAT IN THE NEW FEDERAL CONSTITUTION THERE SHOULD BE A LIST OF SUBJECTS WHICH WOULD REQUIRE THE APPROVAL OF BOTH COMMUNITIES. THIS WOULD NOT NECESSARILY BE THE SAME LIST AS IN THE 1960 CONSTITUTION.

9. THE SECRETARY GENERAL SAID HE WOULD LIKE TO DISCUSS THE SITUATION WITH ME AT THE END OF THIS WEEK.

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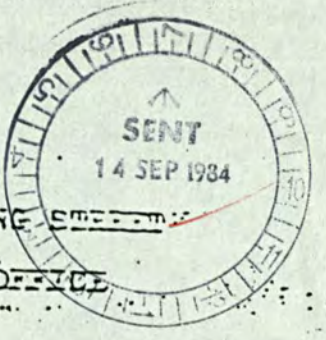
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TO IMMEDIATE FCO
TELEGRAM NUMBER 827 OF 13 SEPTEMBER 1984
INFO IMMEDIATE NICOSIA,
PRIORITY ATHENS, ANKARA, WASHINGTON,
ROUTINE PARIS, BONN, ROME, UKDEL NATO.

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MY TELNO 813: CYPRUS: UN SECRETARY-GENERAL'S INITIATIVE

SUMMARY

1. THE TWO SIDES HAVE ACCEPTED THE SECRETARY-GENERAL'S INVITATION TO CONTINUE THE PROXIMITY TALKS FOR A FURTHER WEEK. DISCUSSION FOR THE PAST TWO DAYS HAS CENTERED ON GOVERNMENTAL STRUCTURE AND APPARENTLY GONE REASONABLY WELL.

DETAIL

2. SHERRY BRIEFED US AND THE AMERICANS IN CONFIDENCE AGAIN THIS EVENING (13 SEPTEMBER). HE SAID THAT THE DISCUSSIONS OVER THE PAST TWO DAYS HAD GONE REASONABLY WELL WITH NEITHER SIDE RAISING MAJOR DIFFICULTIES. THE SECRETARY-GENERAL HAD INVITED BOTH LEADERS TODAY TO CONTINUE THE PROXIMITY TALKS FOR A FURTHER WEEK AND THEY HAD AGREED. THE SECRETARY-GENERAL WAS PLANNING TO PUT OUT A PRESS STATEMENT TO THIS EFFECT TOMORROW. SHERRY SHOWED US A DRAFT DESCRIBING THE TALKS TO DATE AS SERIOUS, BUSINESS-LIKE AND CONDUCTED IN A CONSTRUCTIVE SPIRIT. IT WOULD ALSO SAY THAT THE TWO SIDES AGREED TO THE HOLDING OF A FURTHER ROUND OF PROXIMITY TALKS AT A LATER DATE.

TWO SIDES AGREED TO THE HOLDING OF A FURTHER ROUND OF PROXIMITY TALKS AT A LATER DATE.

3. THE TALKS DURING THE PAST TWO DAYS HAD DEALT WITH QUESTIONS OF GOVERNMENTAL STRUCTURE. THERE HAD ALSO BEEN WORKING LEVEL DISCUSSIONS WITH THE GREEK-CYPRIOTS ON THE QUESTION OF NICOSIA AIRPORT. KYPRIANOU SEEMED TO HAVE ACCEPTED THE PRINCIPLE THAT THERE SHOULD BE A TRANSITIONAL GOVERNMENT WHICH WOULD BECOME THE NEW INTERNATIONALLY RECOGNISED GOVERNMENT OF CYPRUS AND MARK THE END OF UDI. BOTH SIDES HAD AGREED TO THE PROPOSAL FOR THE ESTABLISHMENT OF A NUMBER OF JOINT TECHNICAL WORKING GROUPS TO DETERMINE WAYS OF INTERGRATING GOVERNMENTAL FUNCTIONS IN VARIOUS AREAS SUCH AS FOREIGN AFFAIRS, FINANCE, COMMUNICATIONS, DEFENCE AND SECURITY, JUSTICE ETC. THEY HAD ALSO RAISED NO MAJOR OBJECTIONS TO THE PROPOSAL THAT THE LEGISLATURE SHOULD CONSIST OF 70:30 REPRESENTATION FOR THE LOWER CHAMBER AND 50:50 FOR THE UPPER CHAMBER. THE GREEK CYPRIOTS HAD HOWEVER PROPOSED THAT THE POSSIBILITY OF A UNICAMERAL LEGISLATURE WITH EQUIVALENT SAFEGUARD SHOULD ALSO BE CONSIDERED. THE MOST DIFFICULT QUESTION OF GOVERNMENTAL STRUCTURE, THAT OF THE EXECUTIVE, INCLUDING THE PRESIDENCY AND THE SHARING OF EXECUTIVE POWERS, HAD YET TO BE RAISED.

4. THE SECRETARY-GENERAL HAD MADE CLEAR TO DENKTASH THAT HE COULD NOT ACCEPT HIS SUGGESTION THAT THE TURKISH-CYPRIOTS WOULD HAVE THE RIGHT TO WITHDRAW FROM THE PROCESS AND REVERSE ANY CONCESSIONS IF THEY SHOULD UNILATERALLY DECIDE THAT THE GREEK CYPRIOTS WERE NOT KEEPING THEIR SIDE OF THE BARGAIN (PARAS 5 AND 6 OF MY TUR). DENKTASH HAD BACKTRACKED A LITTLE WITHOUT GIVING IN ON THE PRINCIPLE.

5. THE SECRETARY-GENERAL HAD TOUCHED ON THE DIFFICULT QUESTIONS OF FURTHER TERRITORIAL ADJUSTMENT AND OF THE DE-MILITARISATION OF THE REPUBLIC. THESE WOULD BE DISCUSSED MORE FULLY TOMORROW. SHERRY WAS CLEARLY MORE ENCOURAGED BY THE WAY THINGS WERE GOING WHILE REMAINING VERY CAUTIOUS ABOUT THE EVENTUAL OUTCOME. HE FELT THAT THE GREEK CYPRIOTS WERE INCREASINGLY CONSCIOUS THAT TIME WAS NOT ON THEIR SIDE AND THE PRESSURE WAS THEREFORE ON THEM TO MAKE THE BEST DEAL THEY COULD BEFORE IT WAS TOO LATE. THE DANGER WAS THAT DENKTASH CONVERSELY WOULD FEEL UNDER NO PRESSURE TO MAKE CONCESSIONS. THE TURKISH CYPRIOT REPRESENTATIVE TOLD THE U.S. MISSION TODAY THAT HE THOUGHT THEY HAD THE GREEK CYPRIOTS ON THE RUN.

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TO IMMEDIATE FCO

TELEGRAM NUMBER 813 OF 11 SEPTEMBER 1984

INFO IMMEDIATE NICOSIA,

PRIORITY ATHENS, ANKARA, WASHINGTON

ROUTINE PARIS, BONN, ROME, UKDEL NATO

Summary only.
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MY TELNO 811: CYPRUS: UN SECRETARY-GENERAL'S INITIATIVE

SUMMARY

1. AS THE PROXIMITY TALKS HAVE STARTED TO TACKLE SUBSTANCE, THE GOING HAS BECOME CONSIDERABLY MORE DIFFICULT, PARTICULARLY WITH DENKTASH.

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DETAIL

2. SHERRY BRIEFED US AND THE AMERICANS IN CONFIDENCE THIS EVENING (11 SEPTEMBER) ON THE PROGRESS OF THE FIRST TWO DAYS OF THE PROXIMITY TALKS WHICH THE SECRETARY-GENERAL HAS HELD WITH KYPRIANOU AND DENKTASH. HE SAID THAT THE SECRETARY-GENERAL WAS TAKING THE TWO LEADERS THROUGH A 3 PAGE AGENDA CONTAINING THE SUBSTANCE OF THE WORKING POINTS WHICH HE HAD PRESENTED TO THE TWO SIDES IN VIENNA. SO FAR HE HAD GOT THROUGH THE FIRST PAGE. THIS HAD INVOLVED FIRSTLY A PRELIMINARY RECOMMITMENT TO THE 3 POINTS (1977 AND 1979 HIGH LEVEL AGREEMENTS, A FEDERAL STATE AND INTRODUCTORY CONSTITUTIONAL PROVISIONS) MENTIONED IN MY TUR AND SECONDLY THE QUESTION OF CONFIDENCE-BUILDING MEASURES.

3. THE SECRETARY-GENERAL HAD SOUGHT THE REACTIONS OF THE LEADERS TODAY TO THE 3 SETS OF CONFIDENCE-BUILDING MEASURES CONTAINED IN HIS WORKING POINTS.

THESE WERE:

(I) THE RE-SETTLEMENT UNDER INTERIM UN ADMINISTRATION OF VAROSHA AND THE 6 ADDITIONAL AREAS DELINEATED ON THE TURKISH CYPRIOT MAP OF 5 AUGUST 1981,

(II) A MORATORIUM ON BOTH DOMESTIC AND INTERNATIONAL ACTIONS TENDING TO PREJUDICE THE SECRETARY-GENERAL'S EFFORTS, AND

(III) THE RE-OPENING OF NICOSIA'S INTERNATIONAL AIRPORT UNDER UN INTERIM ADMINISTRATION.

4. KYPRIANOU'S REACTION HAD BEEN TO SAY THAT THE GREEK CYPRIOTS WANTED NOT JUST VAROSHA BUT ALL OF GREEK FAMAGUSTA RETURNED.

HE HAD ALSO EXPRESSED CONSIDERABLE CONCERN ABOUT AGREEING TO THE RE-OPENING OF THE AIRPORT AND HAS PRESSED THE SECRETARY-GENERAL TO EXPLAIN WHAT HE HAD IN MIND IN MORE DETAIL. IT HAD BEEN AGREED THAT A WORKING LEVEL GROUP WOULD BE SET UP TOMORROW TO ALLOW THE SECRETARIAT TO DO THIS. KYPRIANOU HAD ALSO VOICED A MORE GENERAL CONCERN ABOUT A TRANSITIONAL FEDERATION BECOMING THE INTERNATIONALLY RECOGNISED GOVERNMENT OF CYPRUS (AND BY IMPLICATION THE GREEK CYPRIOT ADMINISTRATION SURRENDERING AT THAT STAGE ITS INTERNATIONAL

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5. DENKTASH'S REACTION HAD BEEN TO WELCOME THE INCLUSION OF THE RE-OPENING OF NICOSIA AIRPORT AMONG THE INITIAL CONFIDENCE BUILDING MEASURES, BUT TO SAY THAT THE TURKISH CYPRIOTS WOULD ONLY CONSIDER HANDING OVER VAROSHA TO AN INTERIM UN ADMINISTRATION AND NOT THE 6 ADDITIONAL AREAS. (SHERRY NOTED THAT THE 6 ADDITIONAL AREAS WERE NEEDED AS A BALANCE TO THE MAJOR GREEK CYPRIOT CONCESSION ON THE AIRPORT). DENKTASH HAD THEN SAID IN RELATION TO A MORATORIUM THE TURKISH CYPRIOTS WOULD WISH TO RESERVE THE RIGHT UNILATERALLY TO DECIDE IF AT ANY POINT THE GREEK CYPRIOTS HAD FAILED TO OBSERVE THEIR SIDE OF THE PROPOSED CONFIDENCE BUILDING MEASURES. IN THAT CASE THE TURKISH CYPRIOTS WOULD BE FREE TO WITHDRAW COMPLETELY FROM THE PROCESS AND RE-OCCUPY VAROSHA.

6. SHERRY SAID THAT THIS LAST CONDITION WOULD BE COMPLETELY UNACCEPTABLE TO THE SECRETARY GENERAL. IT WOULD BE IMPOSSIBLE TO HAVE ONE SIDE RESERVE THE RIGHT UNILATERALLY TO DECIDE WHETHER IT WAS JUSTIFIED IN WITHDRAWING FROM THE PROCESS. THE LACK OF TRUST BETWEEN THE TWO COMMUNITIES MADE THIS IMPOSSIBLE. THERE WOULD HAVE TO BE SOME JOINTLY ACCEPTABLE MEANS OF IRONING OUT DISAGREEMENTS OVER IMPLEMENTATION.

7. SHERRY IS DECIDEDLY CAUTIOUS ABOUT THE PROSPECTS AFTER TODAY'S ROUND AND EXPRESSED QUIET CONCERN ABOUT DENKTASH'S INTENTIONS. THE PLAN IS FOR THE SECRETARY GENERAL TO GO THROUGH THE REMAINDER OF THE AGENDA WITH THE TWO SIDES IN THE COURSE OF THE WEEK. SHERRY EXPECTS THAT THE TALKS WILL FINISH ON FRIDAY, THOUGH THEY COULD BE CARRIED OVER TO THE BEGINNING OF NEXT WEEK IF THIS PROVED ESSENTIAL.

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TO IMMEDIATE FOREIGN AND COMMONWEALTH OFFICE

TELEGRAM NUMBER 811 OF 10 SEPTEMBER

INFO IMMEDIATE NICOSIA

INFO PRIORITY ATHENS ANKARA WASHINGTON

INFO ROUTINE PARIS BONN ROME UKDEL NATO

MY TELNO 605: CYPRUS: UN SECRETARY-GENERAL'S INITIATIVE

SUMMARY

1. OPENING OF PROXIMITY TALKS BETWEEN KYPRIANOU AND DENKTASH UNDER THE SECRETARY-GENERAL'S AUSPICES.

DETAIL

2. THE SECRETARY-GENERAL SAW KYPRIANOU THIS MORNING AND DENKTASH THIS AFTERNOON FOR ABOUT AN HOUR AND A HALF EACH. HE WILL BE SEEING BOTH OF THEM AGAIN TOMORROW.

3. NEITHER THE SECRETARIAT NOR THE TWO SIDES ARE MAKING ANY PUBLIC COMMENT ABOUT TODAY'S TALKS. SHERRY TOLD US PRIVATELY THIS EVENING THAT THE TALKS HAD BEEN 'NOT BAD' AND THE TWO SIDES 'CO-OPERATIVE'. SO FAR IT HAD BEEN JUST PRELIMINARIES, BUT THE TWO LEADERS HAD ALREADY RE-COMMITTED THEMSELVES TO THE 1977 AND 1979 HIGH LEVEL AGREEMENTS, TO THE PRINCIPLE OF ESTABLISHING A FEDERAL STATE AND TO THE INTRODUCTORY CONSTITUTIONAL PROVISIONS THAT WERE LARGELY AGREED UPON AT THE 1981/1982 INTER-COMMUNAL TALKS.

4. SHERRY SAID THAT KYPRIANOU HAD BEEN SUBDUED BUT REASONABLE. HE HAD AGREED WITH THE SECRETARY-GENERAL THAT TIME WAS NOT ON THE GREEK CYPRIOTS' SIDE. SHERRY EMPHASISED TO US THE NEED TO CONTINUE TO IMPRESS ON THE GREEK CYPRIOTS AND GREEKS THAT MAINTAINING THE STATUS QUO WAS NO LONGER AN AVAILABLE OPTION FOR THEM.

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