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FALKLAND ISLANDS : FCO SITREP (DETAILED VERSION),
0730 HOURS, 17 JUNE 1982

Cessation of Hostilities

A (Berne
telno
169)

1. An interim report from the Swiss Ambassador in Buenos Aires indicated that the Argentine response on a cessation of hostilities and readiness to accept direct repatriation of Argentine POWs to Argentine Ports was likely to be negative. Our proposal was described as 'cruel' by the Argentine Foreign Ministry. The rejection in effect of our

B (Brasilia
telno
232)

proposal was confirmed by a formal note from the Argentine Government passed through the Brazilians. The Argentine Government hoped that the transfer of prisoners would continue to be carried out by the well-tried procedure via Montevideo. Any attempts to impose unilaterally other conditions of a political character were 'unacceptable' and we would bear the responsibility for 'using the fate of these thousands of people for political purposes'.

Repatriation of POWs

C (Monte-
video
telno
487 to
FCO)

2. The Uruguayan Foreign Minister has informed HM Ambassador Montevideo that, subject to a few nuts and bolts, Uruguay is prepared to accept the Norland and her passengers. Miss Hutchinson thinks that the Uruguayans might be prepared to transit more. However the Chileans were initially reluctant to accept Argentine POWs. Chile was prepared to allow repatriation through Punta Arenas, if the Swiss were able to persuade Argentina to agree. The Brazilians too would clearly prefer the repatriation to take place through Uruguay, although they have also not yet turned the idea of repatriation down.

D (Santiago
telno 302
to FCO)

E (Brasilia
telno 278
to FCO)

Maintenance of Economic Measures

3. The FRG passed an oral message that after discussion in Cabinet the Germans and French had jointly approached the EEC Presidency to ask for consensus to be established by the written procedure for the end of sanctions. This would permit an early start on the end of the EEC economic measures even before the meeting of Foreign Ministers of the Ten scheduled for 20 June and 21 June.

Comment

4. The Argentine response received through the Brazilians effectively rejects any linking between a total ceasefire and the repatriation of POWs. It is now clear that (despite Chilean and Brazilian willingness in principle to help), Montevideo is the only acceptable port for repatriation.

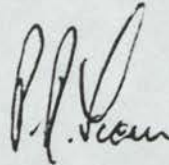
5. A decision is needed on whether:

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- (a) In view of the urgency of the POW problem, we should accept a de-linking of repatriation from Argentine agreement to a total ceasefire;
 - (b) Arrangements should now be pushed ahead for repatriation of POWs through Montevideo (the ability of Canberra to use Montevideo needs to be clarified).
6. We shall also need to consider how to deal with EC moves to end sanctions against Argentina.



P R Fearn
Emergency Unit

17 June 1982

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