FPS @ CONFIDENTIAL Foreign and Commonwealth when the fact about London SW1A 2AH Foreign and Commonwealth Offic the lenvian "righty aremay."

12 April 1984

A.t. C. 7. Belgrano: Peruvian Peace Proposals We have discussed on the telephone your letter of 9 April about the replies to the questions put by Mr Tam Dalyell in the Foreign Affairs Debate on 22 March. It might be useful if I set out our comments on Mr Dalyell's claim that a signing ceremony had been arranged in Lima on 2 May. There is no doubt that the Peruvians did have such a ceremony in mind, if not for the evening of 2 May then for as soon as possible thereafter. The soundest evidence for this is in the then British Ambassador's report of his discussion with the Peruvian Foreign Minister in Lima in the early evening (Local time) of 2 May. In his telegram number 137 of 3 May 1982, of which I enclose a copy, Mr Wallace said that Dr Arias Stella had told him that if the Peruvians' "7-point formula" was acceptable to Britain and Argentina, the signature of an interim document would take place in Lima. Mr Wallace's report concluded: "Dr Arias warned me to expect instructions tonight and added that they were making arrangements to stage a grand signature ceremony in Lima". The Peruvians would have had great difficulty, in any circumstances, in setting up such a ceremony on 2 May itself. As we have reminded Mr Dalyell in our reply to his sixth and seventh questions, President Belaunde said at his press conference on the evening of 2 May that the Argentines were still considering his proposals, and that he hoped to make an announcement about them later that night or the following day. Mr Dalyell, Mr Paul Foot and others have often claimed that the Peruvians had prepared for the signing ceremony a text "bound in red leather". It is impossible to disprove this. In short, the Peruvians' expectations were seriously exaggerated, but they did exist and the Foreign Ministry had evidently put in hand arrangements to gain maximum presentational advantage from any agreement that might be reached. Ye ever. Peter Richetts (P F Ricketts) Private Secretary A J Coles Esq 10 Downing Street CONFIDENTIAL

CONFIDENTIAL

GRE 5004

CONFIDENTIAL

FM LINA 0301032 MAY 22

TO FLASH F C 0

TELEGRAM NUMBER 137 OF 3 MAY

INFO FLASH WASHINGTON

219 0

FALKLANDSI MY TEL NO 134

1. THE FOREIGN MINISTER SUMMONED ME THIS EVENING. OR ARIAS BESAN BY SAYING THAT HE MUCH HOPED WE WOULD HAVE GOOD NEWS SHORTLY. HE SAID THAT AFTER THE CONVERSATION REPORTED IN MY TUP HE HAD SPOKEN TO PRESIDENT BELAUNDE WHO HAD DECIDED TO MAKE A FUPTHER ATTEMPT TO BREAK THE DEALOCK AND BRING ABOUT AN IMMEDIATE CEASEFIRE. OR ARIAS SAID THAT ON PRESIDENTIAL INSTRUCTIONS HE HAD TELEPHONED COSTA MENDEZ TO PRESS UPDN HIM A FORMULA WHICH MIGHT OFFER THE BEST CHANCE OF AN IMMEDIATE SOLUTION. DR ARIAS PEPEATED THAT A WAY HAD TO BE FOUND TO ALLOW THE ARGENTINES TO CLIMB DOWN WITHOUT TOO MUCH LOSS OF FACE. THEY HAD THEREFORE CONSIDERED WHETHER A TEXT WHICH WOULD INCLUDE A TOKEN REFERENCE TO THE ARGENTINE CLAIM TO SOVEREIGHTY IN THE (FOLLOWING KORD UNDERLINED) INTRODUCTORY PART MIGHT SUFFICE TO BRING ABOUT A WITHDRAWAL OF THE APGENTINE TRUCPS. PRESIDENT BELAUNDE HAD ALSO TELEPHONED PRESED REAGAN (BUT HAD FAILED TO GET THROUGH) IN CROER TO INSTILL A SENSE OF LAGENCY AND TO TAKE ADVANTAGE OF THE PRESENCE OF MR FYM IN MASH-INGTON. MR HAIG HAD SUBSEQUENTLY SPOKEN ON THE TELEPHONE SEVERAL TIMES WITH PRESIDENT BELAUNDE.

- 2. DR ARIAS SAID THAT SOME PROCEDURAL DIFFICULTIES HAD ARISEN DURING THE COURSE OF THE VARIOUS TELEPHONE CONVERSATIONS WHICH RELATED TO THE INCLUSION OF THE UNITED STATES AND/OR PERU AS MEMBERS OF THE INTERIM ADMINISTRATION. DR ARIAS TOLD ME IN CONFIDENCE THAT PRESIDENT BELAUNDE HAD NO OBJECTION TO PERU BEING EXCLUDED IF BY SO DOING A PEACEFUL SETTLEMENT COULD BE CETAINED. BUT MR HAIR HAD INTIMATED THAT THE 45 WOULD NOT WISH TO SE EXCLUDED THAT THE UDMINISTERING SHOUP SINCE THIS WOULD OTHERWISE NOT BE ACCEPTABLE TO THE UK.
 - 3. IN THE EVENT AND IN ORDER TO SIMPLIFY MATTERS, A 7-POINT TORMULA HAD SEEN WORKED OUT. TEXT IS IN MIFT. THERE IS A SPANISH TEXT AND AN ENGLISH TEXT WHICH DR ARIAS SAID HAD VIRTUALLY SEEN DICTATED OVER THE TELEPHONE BY MR HAIG.

14

CONFIDENTIAL

4. IN REPLY TO MY SPECIFIC QUESTION DR ARIAS SAID THAT THE 7-POINT FORMULA HAD THE APPROVAL OF COSTA MENDEZ SEMICOLON THAT GENERAL GALTIER! HAD TOLD PRESIDENT BELAUNDE THAT HE WAS. QUOTE WELL DISPOSED UNQUOTE TOWARDS IT BUT THAT HE HAD HIS QUOTE SENATE UNQUOTE (IE THE MILITARY JUNTA) TO CONSULT AND CONVINCE. OR ARIAS SAID THAT THE HILITARY JUNTA WAS MEETING EVEN AT THIS MOMENT TO CONSIDER THE TERMS AND THAT A REPLY WAS EXPECTED HOURLY. DR ARIAS SAID THAT HE HAD REASON TO BELIEVE THAT MR HAIS'S PROPOALS HAD BEEN CONVEYED WITH THE KNOWLEDGE OR AT LEASE THE CONSENT OF MR PYM. DR ARIAS EMPHASISED THAT PRESIDENT BELAUNDE WAS ANXIOUS NOT TO LOSE THE HOMENTUM AUDITHAT IT HAD BEEN CONVEYED TO WASHINGTON THAT IF THE FORMULA WAS ACCEPTABLE, THE SIGNATURE OF AN INTERIM DOCUMENT WOULD TAKE PLACE IN LIMA. DR ARIAS WARNED ME TO EXPECT INSTRUCTIONS TONIGHT AND ALDED THAT THEY WERE MAKING ARRANGEMENTS TO STAGE A GRAND SIGNATURE CEREMONY IN LIKA.

WALLACE

F C O PLEASE PASS

Section of the same

(REPEATED AS REQUESTED)

S AM D CASIMET CAPACE

PROTE TO

CONFIDENCIAL DISTRIBUTION

PLIFFERD ISLANDS

COPTES TO

PS/CEARCHIAGE)
SIR I COUTENS ?

PREASING

PREASING