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OO BUENOS AIRES GRS 190 DEDIP DESKBY 301430Z FM FCO 301215Z JAN 81

TO IMMEDIATE BUENOS AIRES (PERSONAL FOR AMBASSADOR) TELEGRAM NUMBER 33 OF 30 JANUARY

FALKLAND ISLANDS: PQ

- 1. WRITTEN COMMONS QUESTION FOR EARLY ANSWER BY LORD PRIVY SEAL ASKS WHAT DISCUSSIONS THERE HAVE BEEN WITH THE ARGENTINE GOVERNMENT ON THE TRANSFER OF SOVEREIGNTY OVER THE ISLANDS FOLLOWED BY LEASEBACK.
- 2. GRATEFUL IF YOU WOULD INFORM CAVANDOLI IMMEDIATELY THAT MINISTERS CANNOT DENY OUTRIGHT IN THE HOUSE THAT ANY DISCUSSIONS HAVE BEEN HELD AND TOLL HIM WE PROPOSE TO ANSWER THUS:

BEGINS. QUOTE THERE HAS BEEN ONE ROUND OF FORMAL TALKS ON THE FALKLAND ISLANDS DISPUTE WITH THE ARGENTINE GOVERNMENT IN APRIL 1980. IN ADDITION, IN THE FREQUENT CONTACTS WHICH WE HAVE WITH THE ARGENTINE GOVERNMENT OVER THE WHOLE RANGE OF ANGLO-ARGENTINE RELATIONS MANY POSSIBLE APPROACHES TO THE SOLUTION OF THE FALKLANDS DISPUTE HAVE BEEN MENTIONED INFORMALLY. UNQUOTE

ENDS.

3. THIS REPLY WOULD NOT SEEM TO BREACH THE PUBLIC ARQENTINE POSITION THAT WE HAVE YET TO PUT ANY FORMAL PROPOSAL TO THEM. 4. UNLESS WE HEAR OTHERWISE BY 1100Z ON 2 FEBRUARY, WE SHALL ASSUME NO COMMENTS.

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