

CONFIDENTIAL



Foreign and Commonwealth Office

London SW1A 2AH

16 November, 1984

Dear Charles,

Visit of President Kyprianou

I attach as requested a short brief for the Prime Minister's use at her meeting with President Kyprianou at 1800 on Monday 19 November. I understand no FCO representation is required.

The High Commission in Nicosia have elicited the response that the 'strictly private matter' which President Kyprianou wishes to discuss with the Prime Minister is the Treaty of Guarantee "although Kyprianou would not expect any answer from the Prime Minister at this meeting". The attached brief takes account of that information. It also covers the Cyprus vote against us in the UNGA on the Falklands Islands resolution about which the Cypriots have shown belated sensitivity.

The third round of the United Nations Secretary General's proximity talks on Cyprus to start on 26 November. The Prime Minister's meeting provides a most timely opportunity to promote the Secretary General's initiative and to influence President Kyprianou's thinking at the highest level. Our Permanent Representative has told the Secretary General about the meeting and his account of Perez de Cuellar's thoughts on what line the Prime Minister could take is attached to the brief as Annex A.

Yours ever,
Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
10 Downing Street

Prime Minister
You have agreed
to see him
briefly on Monday
evening.

CDP
16 xi



PRIME MINISTER'S MEETING WITH PRESIDENT KYPRIANOU OF CYPRUS: 19
NOVEMBER

POINTS TO MAKE

Third round of proximity talks

1. Important that you approach third (and perhaps final) round in positive spirit. Otherwise tactical advantage lost to Denktash. Risk of forfeiting international support you currently enjoy.
2. Despite the difficulties there remain some indications of a serious commitment to the negotiating process by Denktash. He might have some flexibility on territory. Progress to a High Level Meeting is still possible.
3. Understand the importance of territory to you. Constitutional matters equally important to Denktash. A clear expression of your willingness to negotiate could increase chance of progress and give you tactical advantage.
4. Failure to reach a settlement now could mean loss of last opportunity to regain significant territory. Turkish Cypriots would be tempted to move fast in 1985 to consolidate 'TRNC'.
5. Realise difficulty of having Turkish Cypriot interference in day to day running of administration. Could this be overcome by strong provincial authority with correspondingly limited federal powers.
6. 'Political equality' is important for Turkish Cypriots. Could you meet some of their aspirations symbolically?

Pressure on Turkey [If raised]

7. Have spoken to all the parties involved. Both sides must be prepared to make concessions.

Guarantor/



Guarantor Power Consultations [If raised]

8. Remain ready to hold tripartite consultations with Greece and Turkey that are envisaged in the Treaty of Guarantee. Turkey agreed to our invitation to such consultations after the purported declaration of independence in November 1983 but Greece declined. If the United Nations Secretary General (whose efforts we support and do not wish to complicate) felt it would be helpful for us to issue a further invitation to tripartite consultations, we would give this serious consideration.

British initiative in event of breakdown of talks [If raised]

9. Still firmly convinced that UN Secretary General's initiative remains the best way forward. Would not want to do anything that might cut across his efforts.

10. Hope you too remain committed to support the Secretary General's initiative. Realise you have had two difficult rounds of talks. But this still seems the best way forward.

Guarantees in the event of a settlement [If raised]

11. Prepared to consider. But would want to work closely with Secretary General and with all parties. Too early in the process to make definite suggestions.

Falkland Islands Vote

12. Disappointed you voted against us in the UN. Hoped in view of our good relations that you would feel able at least to be absent from the vote as last year. [If raised] Accept however you gave me no undertaking at our last meeting.



ESSENTIAL FACTS

1 The second round of proximity talks involving Kyprianou and Denktash under the UN Secretary General's chairmanship lasted from 15-26 October. No real progress was made. The Secretary-General took a harder line with both parties especially at tête à tête meetings, telling them on the first day that he would make a report at the end of the round to the Security Council (he did not do so). He gave them a draft High Level Agreement which contained a number of blanks, most importantly for the number of Greek Cypriots to be resettled in territory which the Turkish Cypriots should hand over. He is now planning to produce a further draft agreement for the third and perhaps final round in which all the blanks on constitution and territory will be filled.

2 The Secretary General regards the third round beginning on 26 November as crucial: he has said he will not arrange a high level meeting (between Kyprianou and Denktash face to face) without real progress. He has again made it clear he will report to the Security Council although he must do so in any case by 30 November as part of the UNFICYP mandate renewal.

3 The Greek Cypriot attitude during the talks has been consistent: there can be no further progress until Denktash gives some concrete indication on new territorial concessions. Denktash hinted throughout the second round at future concessions but they never emerged. However, he has maintained the appearance since then of being committed to the negotiating process. He has given numerous hints, including to our High Commissioner, that he will go below 30% for the Turkish Cypriot share of territory. Kyprianou seems to be unaware of this possible flexibility. We should do no more than hint at it. The Secretary General regards it as his 'trump card' which he wants to keep until a critical moment. But the Greek Cypriot attitude seems to be hardening and they are predicting failure at the third round. The meeting offers the opportunity to underline the importance of a positive response to the Secretary General and to any concessions Denktash may make in the third round. Otherwise Denktash may lay failure at the Greek Cypriot door.



4 At a meeting with Sir J Thomson on 15 November (reporting telegram attached as Annex A) the Secretary General said he was impatient with Kyprianou about his 'single idea' that success depends on pressure on Turkey. He believes the Greek Cypriots regard bizonality as merely theoretical and that it has still not hit home that a return to the status quo before the Turkish invasion is simply not on the table.

5 The outlook for the next round of talks is still discouraging, but since neither side wants to be blamed for failure, a High Level Meeting may yet come about. The Secretary General has expressed gratitude for our activity with all the parties (Prime Minister/Kyprianou 24 September, Secretary of State/Halefoglu, 27 September, High Commissioner at Nicosia/ Denktash and Kyprianou 8 and 9 October respectively, Ambassador at Athens/Greek Deputy Foreign Minister, 11 October, Prime Minister's message to Turks delivered 12 October). He told Sir John Thomson on 19 October that we were his "only real, real supporters".

6 Our offer of help to the Secretary General remains. We are considering a message from the Secretary of State to Halefoglu before the third round. The US have decided to send messages from President Reagan to Evren and Kyprianou. We are hoping that the FRG, French and Italians will act similarly where their influence is greatest.

Guarantor Power Consultations (Treaty of Guarantee attached as Annex B)

7 Following the Turkish Cypriot declaration of independence Sir G Howe proposed to his Turkish and Greek colleagues consultations together under the Treaty of Guarantee. The Turks accepted, but the Greeks declined. We remain ready to hold tripartite consultations if we and the Secretary General think it helpful.

8 There are however risks and few comparable advantages for us if they take place. They would be likely to break down in mutual recriminations between Greeks and Turks with both sides blaming us.



We therefore prefer to see the UN Secretary General continue his mediatory role.

9 The Greeks have in the past suggested parallel or "double bilateral" talks conducted by us with Greece and Turkey. This would cast us in the role of mediator. We wish to avoid this and have no treaty obligation to conduct this form of negotiation.

Separate British Initiative

10 Such an idea is occasionally propounded as an extension of our Guarantor role. The UN Secretary General remains the most viable mediator. We should aim to ensure his continued role.

Guarantees in the event of a settlement

11 President Kyprianou may wish to discuss the status of the Treaty of Guarantee and of alternative forms of guarantee if a settlement is achieved. We should listen to his suggestions without commitment. This question has not so far been thoroughly addressed in the proximity talks.

Falkland Islands vote (if raised)

12 Cyprus voted in favour of the Latin American resolution on the Falkland Islands at the UN on 1 November. Last year they absented themselves: in 1982 they also voted with Argentina. There appear to have been some suggestions in the Cyprus High Commission that we believed President Kyprianou gave the Prime Minister an undertaking on this point at their last meeting. He did not give such an undertaking. We have informed the High Commission that we do not consider there has been a breach of faith, but are disappointed that Cyprus voted against a friend. The meeting offers the opportunity for the Prime Minister to express regret about Cyprus' vote.

~~CR~~

Range to
longman.

CR-13111

Could you please
call the Cyprus High
Commissioner & confirm the
appointment for Kyriacos
at 6 p.m. on 19 November.

C.D.P.



file to
cc Caroline Lyder
Sir P Crook

10 DOWNING STREET

From the Private Secretary

12 November 1984

PRESIDENT KYPRIANOU

BF1

President Kyprianou has asked to see the Prime Minister briefly on 19 November on a strictly private matter. The Prime Minister has agreed and an appointment has been made for 1800 hours. I should be grateful for a brief note summarising the state of play over the UN Secretary General's initiative by 1700 hours on 16 November.

CHARLES POWELL

Colin Budd, Esq.,
Foreign and Commonwealth Office.