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## 10 DOWNING STREET

8 March 1985

From the Private Secretary

Dear Colin.

## PRIME MINISTER'S MEETING WITH PRESIDENT KYPRIANOU AT 10 DOWNING STREET ON 8 MARCH AT 1500 HOURS

The Prime Minister met President Kyprianou this afternoon. The President was accompanied by Mr Iacovu, Cyprus Foreign Minister, and by the Cyprus High Commissioner. Sir Geoffrey Howe was also present. We had been warned in advance that President Kyprianou was not feeling at all well and might have to cancel the meeting. He was certainly not in good shape.

The Prime Minister said that she wished to be candid with President Kyprianou. The situation over Cyprus was very, very difficult. All our information was that Denktash was not going to move. Indeed it would be difficult to persuade him to stick to the position he had taken at the last round of negotiations in New York. She sympathised very much with the difficult time which President Kyprianou had been through. But some unpalatable choices now had to be faced.

President Kyprianou launched into a long apologia for his conduct at the High Level Meeting in New York. He had gone into the talks in good faith. He had seen the purpose as being to negotiate, otherwise what was the point of the meeting. The Secretary General's documentation itself spoke of negotiations before matters were remitted to working groups. Denktash had said in advance that he would not negotiate but everyone had assured the Greek Cypriots that he would do so. At the beginning of the meeting the Secretary General had asked for general comments which President Kyprianou had provided. Denktash, however, had been unwilling to enter discussions. He had therefore seen Denktash alone and asked him what the problem was. The reply had been that "my people" had not authorised him to negotiate, only to sign the document. He (President Kyprianou) had said that this would give the impression that the Cyprus problem had been solved when it had not been. He had therefore submitted various alternative formulae which made clear that he accepted the documentation as a basis for negotiation. President Kyprianou handed over two documents (enclosed), the first of which was his own proposal and the second the Secretary General's modification of it.

In his view Denktash had always intended to work for breakdown of the negotiations in New York, to hold elections in the Turkish part of Cyprus and to establish the Constitution for an independent State. Only then would be prepared to negotiate.

President Kyprianou continued that he now faced a very difficult situation. All his earlier discussions with the Prime Minister had been held on the basis that the aim was a negotiated settlement. He needed such a settlement badly and as soon as possible. But he was not prepared to have it at any cost. All that he wanted to do was negotiate. Surely there was no crime in that. He acknowledged that he was in a weak position. He did not know precisely what the Secretary General intended. But he saw little prospect that Denktash would be deterred from going ahead with his plans. The temptation for Denktash to take advantage of the internal difficulties in the Greek part of Cyprus was very strong. Even so he was ready to persevere and continue to negotiate. Matters had passed the point when a just solution could be obtained. The best that could be hoped for now was a viable solution.

The Prime Minister said that President Kyprianou clearly recognised the acute difficulties of the situation. The Foreign Secretary had been to Turkey and seen President Evren and the Turkish Foreign Minister. All our information was that nothing would induce Denktash to move from the 17 January Documentation. She wondered whether President Kyprianou had fully faced up to that and the conclusions that had to be drawn. The choice appeared to her between accepting the Documentation or facing the reality of an independent Turkish Cypriot State. She had no words of comfort which she could offer. The Foreign Secretary added that his discussions in Turkey supported the Prime Minister's analysis. There was no inclination on the part of the Turkish Government to press Denktash to make further concessions or to postpone the planned elections.

President Kyprianou said that the implication was that he was expected to accept the terms dictated by Denktash without any negotiation. He could not do this. But he was ready to accept the 17 January Documentation as a basis for negotiation as he had made clear at the last High Level Meeting. The Prime Minister replied that it was clear to us that negotiations would get nowhere unless the 17 January Documentation was accepted as it stood. But of course the Documentation did provide for further negotiations on many issues, and agreement to it would be contingent upon agreement on all issues. The key was for President Kyprianou to get to the position where he could negotiate on the outstanding points on the basis of having accepted the 17 January Documentation. President Kyprianou said that Denktash's tactic was to sign the 17 January Documentation and create the impression that the Cyprus problem had been solved with only a few technical details left to be settled. If he was now being asked to accept the 17 January Documentation without any negotiation, he could not do it. He would resign the Presidency if necessary. The Foreign

ecretary urged President Kyprianou not to take such an open and shut view. Acceptance of the Documentation was a step on the path back to negotiations.

The Prime Minister asked how President Kyprianou thought Denktash would approach the next round of talks. President Kyprianou replied that Denktash would stand pat on the position he had taken in New York. But it simply was not reasonable to expect the Greek Cypriots to agree, for instance, a fixed percentage of territory for the Turkish Cyrpiots before there had been any negotiation about the quality of that territory. Questions of principle must be settled at a High Level Meeting. Basic political decisions had to be taken before details could be sent to working groups.

President Kyprianou said that he had two requests to make. The first was that the Prime Minister should try again to persuade the Turkish Government to stop Denktash from going ahead with a new Constitution. Secondly he hoped that she would help find a formula for meaningful negotiations to take place. The Foreign Secretary said that President Kyprianou should not cherish a hope that we could make any further impression on the Turkish Government at this point. We had not got any leverage which we had not already used. It was going to be hard enough to hold the Turkish Cypriots to the position they had taken in New York. President Kyprianou said that he was being confronted with a take it or leave it choice. The Foreign Secretary said that it was a question of taking the 17 January Documentation with negotiations on all the outstanding points. President Kyprianou said that he could not see what was wrong with seeking a constructive dialogue. The Prime Minister replied that nothing was wrong with it. But it had to be recognised that Denktash would not move any further. If President Kyprianou did not accept the 17 January Documentation and talks broke down in consequence, partition would become final.

President Kyprianou said that he agreed that before there was a further High Level Meeting or proximity talks must be careful preparations so that there would not be a breakdown. The Prime Minister said that she was certain that Senor Perez de Cuellar would tell President Kyprianou on 11 March that he had no alternative but to accept the 17 January Documentation. He simply must face up to the reality that the only alternative to accepting it was a partitioned Cyprus. President Kyprianou said, with some bitterness, that he felt it was a trap. Denktash was dictating terms to him through the United Nations. It seemed that everyone had forgotten UN resolutions, the effect of Turkish military intervention, even principles. Speaking personally, he simply could not do what was being asked of him. Denktash had been able to rely on the strength of the Turkish Army to impose his terms. He realised that the Greek Cypriots were in a very weak position. He felt very badly. He had embarked on a policy of negotiation and seemed to have failed. The Prime Minister disagreed: President Kyprianou had not failed and

ccepting the Documentation still gave room for negotiation. his was the last opportunity to make decisions. If it was missed, the decisions would make themselves. President Kyprianou said that he would have to reflect. He would let the Prime Minister know how his meeting with Perez de Cuellar went.

As you will see from the somewhat abbreviated account above, President Kyprianou derived little joy from this meeting.

The Cyprus High Commissioner telephoned me immediately afterwards, to say that President Kyprianou had left No 10 saddened and depressed, and feeling that his policies had failed. He would have to consider his own position very carefully now. I said that it was the duty of friends to speak frankly, and that was what the Prime Minister had done.

The Prime Minister wishes an account of the meeting to be provided to Senor Perez de Cuellar before he meets President Kyprianou on Monday in Geneva. I should be grateful if you would arrange this.

I am sending copies of this letter to Richard Mottram (Ministry of Defence) and to Richard Hatfield (Cabinet Office).

C D POWELL

Colin Budd Esq Foreign and Commonwealth Office

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The President made the following proposal:

Quarantees;

If it is agreed that (a) the documentation is endorsed as a basis/framework for negotiations in conformity with the integrated whole approach aiming at a comprehensive and overall solution to the Cyprus problem, with whatever was communicated by the two sides to the Secretary-General in the course of the talks being subject to an overall agreement; and (b) a high-level meeting, with a fixed date, is convened for the purpose of discussing the four issues of:

Withdrawal of non-Cypriot troops
Territory
Three freedoms

then the Greek Cypriot side is willing to agree to the immediate setting-up of a Working Group on the Constitution (on the understanding that the documentation on the Legislature is modified as suggested by the UN Secretariat, namely that on major matters there should be separate majorities in both chambers and on other matters simple majority in both chambers), to report to the high-level meeting.

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- 1. The parties agree to endorse the Secretary-General's documentation as a framework for pursuing the search for a comprehensive solution, in conformity with the integrated whole approach.
- 2. The parties agree to set up immediately a Working Group on the Constitution (on the understanding that the documentation on the Legislature shall provide that on major matters there should be separate majorities in both chambers and on other matters simple majority in both chambers), to report to the high-level meeting.
- 3. A high-level meeting is convened on a fixed date for the purpose of discussing the four issues of:
  - Withdrawal of non-Cypriot troops
  - Territory
  - 3 freedoms
  - Guarantees