

PRIME MINISTER'S MEETING WITH THE PRESIDENT OF CYPRUS: 4.00PM  
MONDAY 7 APRIL

### Our Objectives

- To persuade the President to accept the UN Secretary General's third set of documentation.
- To press two British bids for projects in Cyprus.

### Arguments

- a) Refusal risks the end of the initiative and possibly the permanent partition of Cyprus;
- b) difficult to see any later proposal being more attractive for the Greek Cypriot side;
- c) risk of international reaction against Greek Cypriots if they reject, especially as it seems that Denktash is likely to accept.
- d) (c) could lead some to recognise 'TRNC'.

### His Objectives

To get us to agree that:

- a) he cannot sign present documentation because it leaves unresolved key issues such as troop withdrawals, guarantees, the three freedoms and settlers;
- b) all Turkish troops must be withdrawn prior to the establishment of a transitional government;
- c) the present guarantees should be broadened by including other countries;
- d) to consider positively the Soviet proposals.

### Your Response

- Good chance Turks will accept documentation. Don't leave high ground to Denktash. Failure now will lose best chance of regaining territory and securing substantial troop withdrawals.

- Of course present documentation does not address some key issues. Agree that it is no 'blue print' for solution. But it is a key first step.

- But has brought two sides close on constitution and territory. This is important. Moreover, agreement on documentation would build confidence and help create conditions for agreement on more difficult areas.

- Know you fear preliminary agreement might commit you on troop withdrawals and guarantees. Not so. These would be up for negotiation. You could withdraw at any time. Present documentation in effect a money back guarantee.

- Entirely understand, and do not underestimate, difficulties of negotiations on troop withdrawals and guarantees. On guarantees UK prepared to consider any formula you and Turks can agree. Know ideally you want additional guarantor countries. But a) Turks won't accept and b) difficult to imagine third countries wanting the responsibility.

- In any case, even if Turkey's guarantee rights abolished or diluted, Turkey still has capacity to intervene if she judges necessary. Removing her right of intervention or diluting her guarantee will not stop her in the real world. Aim must be to create conditions between two communities which makes outside intervention redundant.

- Don't distract negotiations by looking for something on guarantees which is logically impossible. Sensible to continue with current 1960 arrangements. Greek Cypriot security would be very much strengthened by fact that UN has been initiator and negotiator of this whole settlement. UN Secretary General would no doubt present final package (including guarantee) to Security Council. This would give a new UN dimension. It would make re-intervention by Turkey political suicide.

- Acceptance of status quo on guarantees would put you in much stronger position on troop withdrawals. Judge Turks prepared



eventually to remove bulk of forces if guarantee remains intact. Understand Greek Cypriot concern that, if transitional federal government set up before all troops have left, Turks could renege on troop withdrawals and that Greek Cypriots would then have much less power to act on international stage.

- Answer is to agree fixed timetable for phased withdrawals before setting up transitional government. Withdrawal would be monitored by UN force. This gives further UN dimension. Turkey would not lightly risk opprobrium by reneging.

#### Defensive

- Expanded UN force unlikely to provide Turkish side with adequate security. UN task to monitor and report. Could not prevent intercommunal violence 1963-74. Doubt therefore whether Turks would now agree to immediate withdrawal of all Turkish forces and replacement by expanded UNFICYP.

#### Defensive

- Nonetheless entirely accept expanded UN military role may be necessary after a settlement. But see this as temporary during period of phased troop withdrawals and resettlement of refugees. No substitute for two communities determining to live together in peace.

#### Defensive

- Agree that agreement on three freedoms must form part of final package. Right to consider this in second stage of negotiations. Build confidence by agreeing to present documentation. Will make progress on three freedoms easier.

#### Defensive

- Will clearly have to be compromise on Anatolian settlers. Turkish Cypriots probably want such a reduction anyway. But this a matter for discussion in stage two of negotiations.

Defensive

- Understand your concerns about giving any "international personality" to Turkish Cypriot 'federal state'. But do not believe Turkish side is looking for independent voice in foreign affairs. Believe they want right to conclude agreements with eg UK or Turkey on, say, cultural or commercial matters affecting north only. Many analogies for this eg Federal German states, New York/Ottawa.

Defensive

- Understand your concern about recent Turkish demand for 'security' to determine territorial boundary. But doubt it will mean very much in practice? Will it make all that much difference? Your fears?

Soviet Proposals

- Restatement of established Soviet policies including their opposition to our bases. Deal only with external international aspects of the question - not problem on ground. Suggest motive was Soviet foreign policy rather than real concern for solution. Should not let them distract you from main business of UN initiative which has made so much progress.

British contracts in Cyprus (to be raised if appropriate).

- Plessey 3D air surveillance radar (worth appropriate £15m). Radar already in service with RAF. Believe Plessey have made attractive offer both on cost and performance. Forsee no problems in agreeing supply.

- GEC Consortium development of Larnanca Airport (worth £17.8m to UK). Our offer of ATP (25% of UK content) underlines importance we attach to this project. These terms unlikely to be bettered if project put out to tender. Hope Ministerial Committee come to decision soon.



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ESSENTIAL FACTS

1. Prime Minister last met President in March 1985. (Annex C)
2. New set of documentation (Annex A) skilful compromise between January and April 1985. Reflects also constructive low level talks held between parties end February. Covers:
  - a) areas of competence of federal government
  - b) composition of executive and legislative: 70/30 proportion in each, 50/50 in Upper House
  - c) Greek Cypriot Presidency and Turkish Cypriot Vice Presidency
  - d) substantial Turkish Cypriot veto
  - e) outline of deadlock resolving machinery
  - f) amount of territory to be returned to Greek Cypriots
3. Documentation presented on 29 March. Permanent Members of Security Council also given copies (partly to enable Prime Minister to speak more authoritatively to Kyprianou). UN Secretary-General asked parties for early acceptance and offered meeting of officials on 21 April to set date for high level meeting to formalise agreement. His officials imply that failure to agree will mean end of initiative. No official reactions as yet.
4. Odds are that Turks will sign though their position has hardened, particularly on troop withdrawals. Greek Cypriots will be looking for delay, and at present likely eventually to reject. This position supported by Athens (Kyprianou visited 2-3 April) where Secretary of State found Papandreou tough. Pressure has to be applied on Greek side. UN Secretary General thought the news that Prime Minister would see Kyprianou "excellent".
5. Kyprianou's difficulties:
  - a) troop withdrawals. Greeks want complete withdrawal before established provisional <sup>government</sup> ~~movement~~. Clearly not on. We think Turks will remove bulk of forces but in phases. Will also want to leave a force greater than Treaty levels (Greek 900 troops; Turkish 650 troops). Greeks currently have 2,500 troops in Cyprus;



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b) guarantees: Greek side ideally want rid of Turkish guarantee or at least its dilution by introducing other guarantor countries. Want removal of right of intervention from Treaty of Guarantee. Turkey insists on her guarantee and right of intervention;

c) three freedoms: (of movement, settlement and property): Greek side want (but know that they will not get) maximum access for Greek Cypriots both to settle and trade. Turkish Cypriots afraid of being swamped. Denktash apparently becoming a little more flexible on this;

d) settlers: a new Greek Cypriot objection. Some 50,000 settlers from Anatolia now in northern Cyprus. Greek side want all to be returned. Turkish Cypriots may also want a reduction. Compromise should be possible;

e) international personality: another recent Greek Cypriot canard. Turks want right to conclude bilateral arguments with eg Turkey or UK on matters affecting northern interest only (eg education). Also representation abroad analogous to, say, Nova Scotia or New South Wales. This is not same as independent foreign policy leading to confederation, as Greek Cypriots fear.

f) security and demarcation line: another new Greek problem. April documentation set location of refugees as main criterion for drawing demarcation line - a concession to Greek Cypriots. Turks have since won reference to their own security as additional criterion. Not clear what, if any, difference this will make to eventual line.

6. Other outstanding major issues, even if third set of documentation signed, are:

a) which territory would be returned to Greek Cypriots (amount covered in current documentation);

b) how many Greek Cypriot refugees would be returned to their original homes.



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Soviet Proposals (Annex B)

7. These look likely to be used by Greek side to distract attention from their difficulties with current initiative. They are being played up in Cyprus. Russians have recently asked us and Americans for considered reaction. We and US have told Russians that we think little of their ideas which are a re-hash of old Soviet views and include dismantling of Sovereign Base Areas. But if current initiative fails, we may come under serious pressure from Greek side to look at Soviet proposals more carefully.

PRIME MINISTER'S MEETING WITH PRESIDENT KYPRIANOU 7 APRIL

ADVANCE PRESS LINE ON THE RECORD

1. The Prime Minister discussed Cyprus with President Kyprianou for 45 minutes on Monday 7 April. The last such meeting took place on 8 March 1985. Sir Geoffrey Howe, the Cyprus Foreign Minister and High Commissioner were also present.
2. The Prime Minister emphasised our support for the Secretary General's initiative to lay the framework for the unified federal Cyprus.



ON THE PRINCIPLES OF A SETTLEMENT IN CYPRUS  
AND WAYS OF ACHIEVING IT

(Proposals of the USSR)

The Soviet Union, being seriously concerned by the fact that the unsettlement of the problem of Cyprus creates a threat to existence of the Republic of Cyprus as an independent, sovereign, territorially integral, united and non-alligned state, is convinced, that the interests of the international security, as well as the vital interests of the Cyprus people, urgently dictate the necessity to liquidate the hotbed of tension in Cyprus through the achievement of a comprehensive, just and lasting solution of the Cyprus problem.

I.

The USSR proceeds from the fact that such a settlement will be viable only in case it is achieved through collective efforts of all interested parties and based upon the following principles:

1. The Republic of Cyprus should remain an independent, territorially integral, unified state, and its sovereignty should cover the whole of the island's territory without any exception. The division of Cyprus in any form, or its absorbtion, full or partial, by any state or states are inadmissible.

2. The questions of the internal organisation of Cyprus state including the possibility of creating a federation, should be solved by the Cypriots - the Greeks and the Turks - themselves, by peaceful means, through constructive negotiations and taking into account the legitimate interests of both communities, without any interference from outside and attempts to impose solutions which are alien to them. The future state organisation of Cyprus should ensure a peaceful existence of the communities in conditions of their total security.

3. The demilitarization of the island's territory, which would fully correspond to the non-alligned status of Cyprus, is the indispensable condition of the settlement. Its use by other



states for military purposes is inadmissible. All the troops of foreign states should be withdrawn from the island, the operation of foreign military bases and installations should be terminated. Unequal treaties and agreements which restrict the sovereignty and independence of the Republic of Cyprus should be annulled.

4. The Cyprus problem should be solved within the framework of the United Nations Organisation and on the basis of its resolutions.

All parties should cooperate with the UN General Secretary in his mediation efforts, being undertaken in strict conformity with the mission, entrusted to him by the Security Council.

An end must be put to any actions that lead to the aggravating the situation on Cyprus and conduce<sup>to</sup> the division of the island and undermine inter-communal dialogue.

## II.

A realistic way of securing a cardinal solution of the international aspects the Cyprus problem is to convene to this end authoritative international conference on Cyprus within the framework of the UNO.

1. Such conference could result in signing a treaty or other document, that would envisage the following organically interrelated elements of a settlement: demilitarization of the island, including the withdrawal of all foreign troops, liquidation of all foreign military bases and installations; the system of effective international guarantees of independence, sovereignty, unity and territorial integrity of the Republic of Cyprus; respect by all sides of its status of a non-aligned state.

2. International guarantees of the independence of Cyprus should exclude any possibility of outside interference whatsoever in the affairs of the Republic in future. The guarantors might be permanent members of the UN Security Council of Security Council as a whole, Greece, Turkey, as well as some non-aligned countries. Measures in exercising the guarantees will be taken with the joint agreement of all states-guarantors. Cyprus should not be an object of use of force or of a threat to use force.



3. Participants of the conference may include - the Republic of Cyprus (with the representation of both communities), Greece, Turkey, all states-members of the UN Security Council. Participation of other states, in particular from among the non-aligned countries, could also be possible.

It is at such a representative international conference that decisions could be worked out collectively, with the participation of all interested parties, that meet the interests of Cypriots - both Greeks and Turks, the interests of peace and international security.

Guided by the aim of a lasting and just settlement in Cyprus and eliminating this hotbed of tension in the East Mediterranean, the Soviet Union appeals to all states and calls them to contribute in every possible way to the search of a comprehensive and viable solution of the Cyprus problem on the basis of the above-mentioned principles.