

~~SECRET~~ 5PRIME MINISTERMEETING WITH PRESIDENT OF CYPRUS

You are to see the new President of Cyprus - President Vassiliou (pronounced Vassy-lee-oo) - for a working lunch tomorrow. He will arrive at 1245 and we have told the Cypriots that you must be away by 1430. He will be accompanied by the Cypriot Foreign Minister (unchanged from Kyprianou's time) and by the Cypriot High Commissioner. The Foreign Secretary and our High Commissioner in Nicosia will also take part.

Vassiliou is an unknown quantity as a politician with no form in Cyprus. He calls himself independent but was elected with Communist support.

THIS IS A COPY. THE ORIGINAL IS  
RETAINED UNDER SECTION 3 (4)  
OF THE PUBLIC RECORDS ACT

The main elements seem to be:

- a package of goodwill measures (re-opening Nicosia Airport and Famagusta port, and withdrawal of troops three miles from the Green Line) which he might ask you to put to Ozal;
- the suggestion that you press Ozal to make countervailing concessions, in the form of Turkish troop withdrawals and Turkish Cypriot withdrawal from Varosha; and
- a proposal that you should act as a mediator by hosting a tripartite meeting between him, Ozal and Papandreou (excluding Denktash). In addition, or as a variation, he may ask you to facilitate an early

SECRET

SECRET

SECRET

- 2 -

meeting between him and Ozal.

There are good grounds to treat all this with considerable caution:

- first, because of Vassiliou's rather dodgy background mentioned above;
- second, because you should not be in the position of acting as messenger for a brand new and inexperienced President of Cyprus before his ideas are properly thought out;
- third, because there are already signs that he is back-peddalling fast from some of the positive and constructive suggestions - such as readiness to meet Denktash - which he made during his election campaign; and
- fourth, because his ideas are impractical in several major respects. For instance, Ozal is not going to concede a meeting with Vassiliou until Vassiliou has met Denktash: chairing a tripartite meeting is an option which would be worth considering only if we had a very clear idea of where it would lead: and we do not want to cut across or usurp the UN Secretary-General's role.

This suggests that your purpose tomorrow should be first to get to know Vassiliou; and hear what he has to say; and second to try to induce greater realism, while not extinguishing his commitment to try to make progress. It will be a difficult line to tread. The sort of points which you might make are:

- we want to continue our very close relations with Cyprus. You will always be ready to see him;
- we hope his election together with the new spirit in Greek/Turkish relations offer an opportunity for progress;
- it is important not to slip back into the groove of inaction. That will only play into Turkish Cypriot hands and lead to a steady trickle of recognition of

SECRET



SECRET

- 3 -

- the Turkish Cypriot State. There is a need for imagination and determination in the search for a settlement;
- while we are of course ready to help find ways forward, the UN Secretary-General and his Special Representative must continue to be in the lead;
  - you would like to hear his own views on the way ahead;
  - if progress is going to be made, it must start with the inter-communal and not the international aspects of the problem. The first step really has to be for him to see Denktash (but in a way which does not give Denktash recognition);
  - a start also needs to be made with inter-communal confidence-building measures. The international issues can be taken up when the inter-communal relationship is on a sounder footing;
  - on the international aspect, you are ready to explore with Ozal whether Turkey is prepared to make a number of gestures, e.g., a reduction in the number of Turkish troops or measures to control the number of settlers. You would also be ready to press Ozal to say that he could envisage Turkey's basic interests in Cyprus being safeguarded by a system of international guarantees backed up by only a limited number of troops;
  - but there is no point in your pressing Ozal at this stage to meet Vassiliou himself. The answer is bound to be 'no' until Vassiliou has met Denktash;
  - it is too early to think in terms of tripartite meetings or anything which takes the initiative out of UN hands;
  - you will yourself be seeing Perez de Cuellar in April and will discuss the results of your meetings with Vassiliou and Ozal with him;
  - you urge Vassiliou to keep in close touch.

There are a number of other points about EC/Cyprus and UNFICYP which are covered in the FCO letter in the folder.

C.D.P.

(C. D. POWELL)

30 March 1988

SECRET  
SECRET