

PRESS STATEMENT

PRIME MINISTER'S MEETING WITH PRESIDENT VASSILIOU OF CYPRUS

The Prime Minister and President Vassiliou met for some two hours over a working lunch today.

They agreed on the need to work for a solution of the Cyprus problem which will guarantee a unified state of Cyprus with a federal structure.

They also agreed that this should be achieved by negotiations between representatives of the people of Cyprus under the auspices of the United Nations Secretary-General.

They believed that the improved relations between Greece and Turkey, the election of the new President in Cyprus and the growing desire to see problems settled by negotiation combined to create a new opportunity to make progress in resolving the Cyprus problem.

They agreed to characterize the outcome of their talks as quietly hopeful.