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UKMIS NEW YORK TELNO 540 TO FCO: CYPRUS: UN SECRETARY GENERAL'S  
INITIATIVE

SUMMARY

1. UN INVITE DENKTASH TO START NEGOTIATIONS BY AN INITIAL MEETING WITH VASSILIOU LEADING QUICKLY TO COMMON UNDERSTANDINGS ON FURTHER NEGOTIATIONS ABOUT DIFFERENT ASPECTS OF THE CYPRUS PROBLEM. VASSILIOU REMAINS READY TO GO AHEAD WITH DISCUSSIONS WITHOUT PRECONDITIONS, BUT SHOWS SIGNS OF COLD FEET.

DETAIL

2. I DEBRIEFED FEISSEL YESTERDAY ON CAMILION'S AND HIS MEETINGS ON 27 APRIL WITH DENKTASH, IACOVOU AND VASSILIOU. THE UN SIDE PROPOSED TO DENKTASH A MEETING WITH VASSILIOU AT WHICH THE TWO LEADERS COULD GET ACQUAINTED. NEITHER SIDE WOULD SET ANY PRECONDITIONS. THE AIM WOULD BE TO AGREE TO REACH A COMMON UNDERSTANDING ABOUT THE ISSUES FOR NEGOTIATION. THE UN STRESSED THE PSYCHOLOGICAL ASPECT OF THE INITIAL ENCOUNTER: BOTH LEADERS SHOULD BE READY TO EXPRESS THEIR DETERMINATION TO PROCEED WITH NEGOTIATIONS WITH GOODWILL AND MUTUAL RESPECT FOR EACH OTHER'S VIEWS. THE UN ENVISAGE THAT THE FIRST MEETING SHOULD TAKE PLACE UNDER CAMILION'S AUSPICES IN NICOSIA. THEY ARE KEEN TO GET THINGS UNDERWAY BEFORE THE UNSG SEES VASSILIOU IN NEW YORK AT THE BEGINNING OF JUNE.

3. IN RESPONSE TO DENKTASH'S QUESTION AS TO WHICH OF THE UN DRAFT FRAMEWORKS WOULD BE THE POINT OF DEPARTURE, CAMILION AND FEISSEL EXPLAINED THAT THE ISSUES FOR NEGOTIATION WERE WELL-KNOWN. DENKTASH NOTED THAT IF THE MARCH 1986 DRAFT WAS DROPPED, THE TURKISH CYPRIOTS WOULD NO LONGER FEEL BOUND TO MAINTAIN THE CONCESSIONS THEY HAD MADE IN ACCEPTING THAT DOCUMENT.

4. DENTKASH PUT FORWARD, BUT DID NOT PRESS THE VIEW THAT, IF THE UNSG WANTED THE TWO SIDES TO REFRAIN FROM NEGATIVE ACTIONS

DURING THE NEGOTIATIONS, THE GREEK CYPRIOTS SHOULD BE REMINDED NOT TO INTENSIFY THEIR INTERNATIONAL CAMPAIGN, (EG. AT THE NAM FOREIGN MINISTERS MEETING HERE IN SEPTEMBER), AND SHOULD REMOVE SOME OF THE MORE OFFENSIVE ASPECTS OF THEIR EMBARGOES OF THE NORTH (EG. ALLOW TOURISTS TO TRANSIT FROM NORTH TO SOUTH). DENKTASH ALSO SUGGESTED THAT A TIME LIMIT SHOULD BE SET FOR THE NEGOTIATIONS.

5. BY TACIT AGREEMENT, THERE WAS NO DISCUSSION ON 27 APRIL OF THE ISSUE OF PASSPORT-STAMPING.

6. AT SUBSEQUENT AND UNSCHEDULED MEETING WITH VASSILIOU THE LATTER REITERATED HIS READINESS FOR NEGOTIATIONS. HE REAFFIRMED HIS ACCEPTANCE OF A MEETING WITHOUT PRECONDITIONS AND APPLAUDED DENKTASH'S VIEW ON THE DESIRABILITY OF TIME LIMITS. BUT HE INTRODUCED TWO COMPLICATING FACTORS:

(A) VASSILIOU SAID HE WOULD PREFER THAT THE FIRST MEETING SHOULD BE MORE SUBSTANTIVE THAN THE UN HAVE IN MIND. IT NEEDED THOROUGH PREPARATION AND HE APPARENTLY QUOTED THE PRIME MINISTER IN SUPPORT OF HIS CONTENTION THAT SUCH PREPARATION MIGHT TAKE UP TO SIX MONTHS.

(B) VASSILIOU THEN DESCRIBED AT LENGTH A SERIES OF GOODWILL MEASURES WHICH HE WOULD LIKE THE UN TO PROPOSE. THESE INCLUDE UN SUPERVISION OF ARRANGEMENTS WHICH LEGITIMATE TRADE COULD BE CONDUCTED BY THE NORTH THROUGH FAMAGUSTA AND RECOGNITION OF GREEK CYPRIOT PROPERTY IN THE NORTH. IN RESPONSE TO A QUESTION FROM THE UN TEAM, VASSILIOU DENIED HE INSISTED ON CREATING LINKAGE BETWEEN THESE GOODWILL MEASURES AND SUBSTANTIVE NEGOTIATIONS, BUT NEVERTHELESS THOUGHT SUCH LINKAGE WOULD BE DESIRABLE.

#### COMMENT

7. DENKTASH'S INITIAL REACTION WAS NOT UNPROMISING BUT CAMILION AND FEISSEL WERE STRUCK BY WHAT THEY INTERPRETED AS VASSILIOU'S ATTACK OF NERVES IN QUALIFYING HIS EARLIER ESPOUSAL OF THE IDEA OF AN INITIAL MEETING WITH DENKTASH WITHOUT PRECONDITIONS. THEY ATTRIBUTE THIS TO A LOSS OF CONFIDENCE BY VASSILIOU IN THE FACE OF HIS ADVISERS' (AND ESPECIALLY IACOVOU'S) CAUTION.

8. FEISSEL RETURNS TO NEW YORK TODAY TO REPORT TO THE UNSG. CAMILION WILL CONTINUE HIS CONTACTS HERE TO TRY TO GET THE SHOW

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ON THE ROAD. FEISSEL SUGGESTED THAT WE COULD HELP THE UN BY CONTINUING TO ENCOURAGE BOTH SIDES TO AGREE TO START WITH A MEETING IN NICOSIA WITHOUT PRECONDITIONS. ON PRESENT SHOWING, OUR EFFORTS NEED TO CONCENTRATE ON STIFFENING VASSILIOU'S RESOLVE AS HE CONTEMPLATES HIS FIRST MOVE IN HANDLING THE CYPRUS PROBLEM.

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