CONFIDENTIAL UK COMMS ONLY 041331 MDLIAN 1611 PS TO PRIME MINISTER NO 10 DOWNING ST CONFIDENTIAL UK COMMS ONLY FM NICOSIA TO PRIORITY FCO TELNO 283 OF 110720Z JULY 88 INFO ROUTINE ANKARA, ATHENS, UKMIS NEW YORK INFO ROUTINE CBFC YOUR TELNO 155: CYPRUS: UNSG'S INITIATIVE SUMMARY 1. VASSILIOU APPRECIATIVE OF PRIME MINISTER'S MESSAGE, AND PREPARED TO ACCEPT AMENDMENT OF THE UNSG'S DRAFTS. CAMILION WORKING FOR A MEETING IN LATE JULY. DENKTASH IS THE OBSTACLE. DETAIL 2. I DELIVERED THE PRIME MINISTER'S MESSAGE TO THE PRESIDENT AT 081645Z. VASSILIOU EXPRESSED WARM APPRECIATION OF THE PRIME MINISTER'S ''TOUCHING INTEREST'', AND HER MESSAGE. CAMILION ALSO WAS GRATEFUL FOR THE SUPPORT THE MESSAGE GAVE HIS OWN EFFORTS. 3. VASSILIOU SAID HE HOPED THE UNSG WOULD INSIST ON HIS DRAFTS AS THEY STOOD, IF POSSIBLE. ACCEPTING THAT IT MIGHT NOT BE, HE COULD ACCEPT AN AMENDMENT TO ENLARGE BUT NOT TO OMIT ALTOGETHER THE LIST OF REFERENCE DOCUMENTS, PROVIDING THE UNSG THEN INSISTED ON A CLEAR ACCEPTANCE OF BOTH DRAFTS FROM DENKTASH. VASSILIOU WAS NOT PREPARED TO GO ON HAGGLING OVER QUESTIONS OF NO REAL SUB-STANCE. SPECIFICALLY, HE HAS INDICATED TO CAMILION THE GREEK-CYPRIOTS COULD ACCEPT IF NECESSARY AN AMENDMENT. TO THE EFFECT THAT THE TWO SIDES ALSO ''RECALLED'' THE 1980 AND 1984 DOCUMENTS. 4. THE UN ARE NOW AIMING FOR A MEETING IN LATE JULY, WITH THEIR PRIVATE, PREFERRED DATE BEING 22 JULY. CAMILION HOPES THAT WITH THE GREEK-CYPRIOTS READY TO ACCEPT REFERENCES TO THE 1980 AND 1984 DOCUMENTS, DENKTASH MIGHT SURRENDER HIS ATTACHMENT TO THE EVALUATION DOCUMENT OF 1981. ON THE BASIS OF MY TALK WITH DENKTASH ON 8 JULY, AND CAMILION'S ON 9 JULY, THE TURKISH-CYPRIOTS WILL PROVE STUBBORN OVER THE EVALUATION DOCUMENT. COMMENT PAGE 1 CONFIDENTIAL UK COMMS ONLY