



10 DOWNING STREET

From the Private Secretary

Prime Minister

✓ Cyprus

D.

I attach telegrams describing the
state of play on Cyprus.

We have let the Secretary-

General know that we stand
ready to help if and when
he wants us to.

C D P

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XXY
0125/19

~~WONEO~~ 014/19

ZZ FCO

RR ~~ATHENS~~

RR NICOSIA

RR ANKARA

GRS 80

CONFIDENTIAL

FM WASHINGTON 182330Z JAN 85

TO FLASH FCO

TELEGRAM NUMBER 167 OF 18 JANUARY

INFO FLASH UKMIS NEW YORK, ROUTINE NICOSIA, ATHENS, ANKARA

YOUR TELNO 16 AND 17 TO UKMIS NEW YORK: CYPRUS

1. THE CYPRUS AMBASSADOR HAS TELEPHONED THE STATE DEPARTMENT REPEATEDLY OVER THE LAST 24 HOURS WITH SIMILAR GLOOMY MESSAGES. STATE ARE AWAITING A FULL ACCOUNT FROM NEW YORK. BUT, AS OF THIS EVENING, THE AMERICANS DO NOT REPEAT NOT INTEND TO INTERVENE WITH THE PARTIES, OR THE GREEKS OR TURKS, UNLESS THE UN SECRETARIAT SPECIFICALLY ASK THEM TO DO SO.

WRIGHT

NNNNL



10 DOWNING STREET

From the Private Secretary

18 January 1985

Prime Minister
You should
be aware of this.
CDP
107;

Dear Sir,

CYPRUS

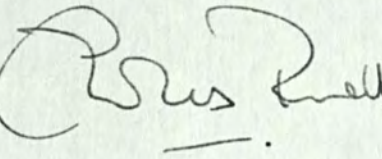
The Cypriot High Commissioner telephoned me at 8.45 pm this evening on President Kyprianou's instructions. Matters were not developing at all well in New York, and the meeting with Mr. Denktash under the Secretary-General's auspices had virtually reached an impasse. Kyprianou had subsequently met very privately with Denktash alone. The purpose had been to find out whether Denktash was ready to discuss even some of the items in the Secretary-General's paper with which the Greek Cypriots had problems. The answer had been that he had been unwilling to add one comma or full-stop. There was to be a further meeting this afternoon under the Secretary-General's auspices. But President Kyprianou was not optimistic at all. All that seemed possible was to find a formula for adjourning the talks. The situation was critical.

I said that our own reports from New York had revealed that difficulties had arisen but had not cast them in quite such a serious light. It seemed that President Kyprianou himself had raised a very large number of points on the draft agreement. This might have provoked Denktash to be even more unreasonable. Panayides said that President Kyprianou had done this for the record: it did not mean that he wished to re-open all the points. I said that it seemed to me that there was a risk that adjournment of the talks might be treated by the Turkish Cypriots as definitive and as an excuse for no further effort. Could not the Greek Cypriots find some way to keep the talks going? Panayides was dubious. I urged him to advise President Kyprianou to speak to Sir J. Thomson who might be able to influence developments on the spot. Panayides said that unfortunately he was absent from New York. He hoped that HMG would consider what they could do to help retrieve the situation.

* Sir J. Thomson.

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You will no doubt want to find out how far Panayides' account tallies with the information available to our mission in New York; also how the Secretary-General and the Americans see things. If Panayides is right, and given the time-scale, any action with the Turks and Turkish Cypriots would presumably have to be in New York and might best be coordinated with the Americans. But if it is thought that a message from the Prime Minister could be useful, please let me know. I am sure that she would wish us to take any action we can to avoid a breakdown.

Yours sincerely,


(C.D. POWELL)

L.V. Appleyard, Esq.,
Foreign and Commonwealth Office.

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ZZ UKMIS NEW YORK
ZZ WASHINGTON
GRS 220
CONFIDENTIAL
FM FCO 182253Z JAN 85
TO FLASH UKMIS NEW YORK
TELEGRAM NUMBER 17 OF 18 JANUARY
AND TO FLASH WASHINGTON
INFO ROUTINE NICOSIA ANKARA ATHENS UKDEL NATO UKREP BRUSSELS
INFO SAVING ROME PARIS BONN
CYPRUS.

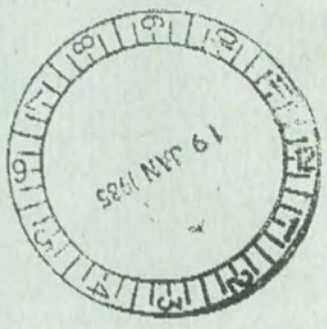


1. FOLLOWING AN EARLIER TELEPHONE CONVERSATION WITH NEILSON, CYPRUS HIGH COMMISSIONER HAS SPOKEN TO NO 10 ON KYPRIANOU'S BEHALF.
2. HE SAID THAT THE TALKS HAD CONTINUED TO BE DEADLOCKED AND DENKTASH IN PRIVATE CONVERSATION WITH KYPRIANOU HAD INDICATED THAT HE WAS NOT WILLING TO CHANGE THE DOCUMENTS PREPARED BY THE SECRETARY GENERAL IN THE SLIGHTEST RESPECT.
3. THE HIGH COMMISSIONER BELIEVED THAT THERE WAS LITTLE CHANCE OF KYPRIANOU BEING ABLE TO SHOW THE KIND OF FLEXIBILITY OR OFFER CONCESSIONS WHICH MIGHT PERSUADE DENKTASH TO CONTINUE THE MEETING IN ANY MEANINGFUL SENSE. HE THEREFORE HOPED THAT WE WOULD BE ABLE TO INTERVENE IN A POSITIVE FASHION.
4. GRATEFUL FOR UKMIS NEW YORK ASSESSMENT OF CURRENT SITUATION HAVING CONSULTED SECRETARIAT, US DELEGATIONS AND WHERE POSSIBLE THE PARTIES. GRATEFUL IF WASHINGTON WOULD ESTABLISH THE STATE DEPARTMENT'S VIEW OF THE SITUATION, IN DOING SO THEY MAY DRAW ON THE FOREGOING AND FOR THEIR OWN INFORMATION SHOULD KNOW THAT THE PRIME MINISTER HAS NOT RULED OUT THE POSSIBILITY OF APPROPRIATE PERSONAL MESSAGES.
5. GRATEFUL FOR REPLY BY FLASH TELEGRAM.

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ZZ FCO
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RR NICOSIA

RR ANKARA

GRS 80

CONFIDENTIAL

FM WASHINGTON 192330Z JAN 85

TO FLASH FCO

TELEGRAM NUMBER 167 OF 18 JANUARY

INFO FLASH UKMIS NEW YORK, ROUTINE NICOSIA, ATHENS, ANKARA

YOUR TELNO 16 AND 17 TO UKMIS NEW YORK: CYPRUS

1. THE CYPRUS AMBASSADOR HAS TELEPHONED THE STATE DEPARTMENT REPEATEDLY OVER THE LAST 24 HOURS WITH SIMILAR GLOOMY MESSAGES. STATE ARE AWAITING A FULL ACCOUNT FROM NEW YORK. BUT, AS OF THIS EVENING, THE AMERICANS DO NOT REPEAT NOT INTEND TO INTERVENE WITH THE PARTIES, OR THE GREEKS OR TURKS, UNLESS THE UN SECRETARIAT SPECIFICALLY ASK THEM TO DO SO.

WRIGHT

NNNNL

CYPRUS

PS
 PS/LADY YOUNG
 PS/MR RENTON
 PS/PUS
 MR DEREK THOMAS
 MR JENKINS

PS/No. 10 DOWNING STREET
 D I O CABINET OFFICE

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 HD/SED
 HD/UND
 DEF HD/FUSD (2)
 HD/NEWS DEPT

RESIDENT CLERK



PP BOWN
 PP PARIS
 PP ROME
 GPS 350

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IMMEDIATE

FM UKMIS NEW YORK 190327Z JAN 85
 TO IMMEDIATE FCO

TEL NO 32 OF 18 JANUARY 1985

INFO IMMEDIATE WASHINGTON NICOSIA ATHENS ANKARA
 INFO PRIORITY UKDEL NATO UKREP BRUSSELS BOWN PARIS ROME

NY TELS NOS 29-31: CYPRUS: HIGH LEVEL MEETING

1. THE SECRETARY GENERAL'S COMMITMENTS AT THIS EVENING'S SESSION OF THE HIGH LEVEL MEETING AND THEREAFTER MADE IT IMPOSSIBLE TO SPEAK TO HIM. BUT WE WERE ABLE TO SPEAK TO BOTH SHERRY AND PICCO AFTER THE SESSION WAS OVER.
2. SHERRY SAID THAT KYPRIANOU HAD INSISTED THAT HE WAS NOT WILLING TO ENDORSE ANY AGREEMENT AT THIS STAGE AND WANTED TO CONTINUE THE DIALOGUE AT FURTHER HIGH LEVEL MEETINGS. DENKTASH HAD SAID THAT HE WAS WILLING TO DISCUSS MATTERS WITH KYPRIANOU BUT THAT THE FIRST STEP WAS TO SIGN THE DRAFT HIGH LEVEL AGREEMENT. THERE WERE SIGNS THAT THE PREVIOUSLY AGREED POSITIONS EG ON ROTATION OF THE PRESIDENCY MIGHT BE BEGINNING TO UNRAVEL.
3. BY THE END OF THE SESSION THE TWO SIDES HAD COME DOWN TO NEGOTIATING LANGUAGE THAT WOULD SAY LITTLE MORE THAN THAT THEY HAD MET AND WOULD MEET AGAIN IN MARCH. THE SECRETARY GENERAL MADE IT CLEAR TO THEM THAT HE WOULD CONSIDER THIS A FAILURE AND WOULD REPORT ACCORDINGLY TO THE SECURITY COUNCIL. SHERRY THOUGHT IT CONCEIVABLE THAT BOTH SIDES WERE BLUFFING. THEY SEEMED QUITE AMICABLE, BUT HE WAS INCLINED TO CONCLUDE THAT THEY DID NOT WANT AN AGREEMENT.
4. PICCO SAID THAT THE SECRETARY GENERAL HAD GOT MY MESSAGE DURING THE SESSION AND WAS MADE AWARE OF THE PRIME MINISTER'S INTEREST. BUT HE HAD BEEN BOXED IN WITH THE TWO LEADERS. PICCO WAS NOT SURE THAT PEREZ DE CUELLAR WOULD HAVE FOUND IT EASY TO KNOW WHAT TO HAVE ASKED OF US - OTHER THAN A "MIRACLE". THE WHOLE SITUATION WAS CONFUSED AND MESSY.

THAT PEREZ DE CUELLAR WOULD HAVE FOUND IT EASY TO KNOW WHAT TO HAVE
ASKED OF US - OTHER THAN A "MIRACLE". THE WHOLE SITUATION WAS
CONFUSED AND MESSY.

5. PICCO WAS LESS COMMUNICATIVE THAN SHERRY ABOUT THE LIKELY
OUTCOME. PARTLY HE WAS NOT SURE OF PEREZ DE CUELLARS OWN THINKING
AND PARTLY HE FELT THAT THERE WERE A "FEW MORE HOURS" TO GO.

6. THE TWO LEADERS ARE DUE TO MEET AGAIN TOMORROW AFTERNOON (19
JANUARY) AFTER CONTACTS BETWEEN OFFICIALS. IN THE MEANTIME THE
SECRETARY GENERAL REMAINS AWARE OF THE PRIME MINISTERS INTEREST
AND OF OUR WILLINGNESS TO BE OF ASSISTANCE. HE WILL NO DOUBT LET
US KNOW IF THERE IS ANYTHING WE CAN USEFULLY DO IN WHAT LOOKS AN
UNPROMISING SITUATION.

MAXEY

NNNN

CYPRUS

PS

PS/LADY YOUNG

PS/MR RENTON

PS/PUS

MR DEREK THOMAS

MR JENKINS

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HD/SED

HD/UND

DEP HD/PUSD (2)

HD/NEWS DEPT

RESIDENT CLERK

PS/No.10 DOWNING STREET

D I O CABINET OFFICE

19.11.84



CONFIDENTIAL

FM UKMIS NEW YORK 190032Z JAN 85

TO FLASH FCO

TEL NO 31 OF 18 JANUARY 1985

INFO FLASH WASHINGTON

INFO IMMEDIATE NICOSIA ANKARA ATHENS

INFO PRIORITY UKDEL NATO UKREP BRUSSELS

INFO ROUTINE BONN PARIS ROME

FLASH

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NY TWO IPTS: CYPRUS: HIGH LEVEL MEETING

1. FOLLOWING IS A RECORD OF MY CONVERSATION WITH
MAVROMMATIS THIS AFTERNOON (18 JANUARY).

2. MAVROMMATIS SAID THAT THE TWO SIDES WERE ENTIRELY AT CROSS
PURPOSES ABOUT THE MEETING. DENKTASH HAD COME WITH JUST ONE INTEN-
 TION WHICH WAS TO SIGN WHAT HE CONSIDERED WAS A PRE-EXISTING AGREE-
 MENT. THE GREEK CYPRIOTS BY CONTRAST HAD COME TO FIND SOLUTIONS
 TO THE REMAINING ISSUES. THEY HAD TWO SORTS OF DIFFICULTIES. THE
 FIRST RELATED TO THE SECRETARY GENERALS DOCUMENTATION WHERE THEY
 WISHED FOR CERTAIN IMPROVEMENTS. THE SECOND RELATED TO VARIOUS OTHER
 MATTERS WHICH NEEDED TO BE DISCUSSED AT HIGH LEVEL BETWEEN THE TWO
 SIDES FOR EXAMPLE THE THREE FREEDOMS, TROOP WITHDRAWALS AND GUARAN-
 TEES. UNFORTUNATELY DENKTASH WAS INSISTING BOTH IN PLENARY AND IN
 PRIVATE THAT ALL HE WAS CONCERNED ABOUT WAS SIGNING AND THAT WHILE
 HE WOULD LISTEN TO WHAT THE GREEK CYPRIOTS HAD TO SAY HE WOULD NOT
 ENTER INTO DISCUSSION. THIS SEEMED CONTRARY TO THE LINE WHICH
 THE SECRETARY GENERAL HAD TAKEN WITH THE GREEK CYPRIOTS BEFOREHAND.
 HE ASSURED THEM HE HAD TOLD ANKARA THAT THE MEETING WOULD BE A
 SERIOUS NEGOTIATION.

3. MAVROMMATIS DENIED THAT THE GREEK CYPRIOTS WERE NOT PREPARED
 TO AGREE TO ANYTHING OR WERE RE-OPENING EVERYTHING. THEY HAD
 TALKED WITH THE GREEK CYPRIOTS OF THE GREEK CYPRIOT

TO AGREE TO ANYTHING OR WERE RE-OPENING EVERYTHING. THEY HAD SIMPLY SOUGHT TO REMIND THE TURKISH CYPRIOTS OF THE GREEK CYPRIOT INTERPRETATION OF SUCH MATTERS AS BIZONALITY AND POLITICAL EQUALITY IN PREPARATION FOR SUBSEQUENT DISCUSSION OF THESE ISSUES IN THE WORKING GROUPS. WHAT THEY WANTED TO DISCUSS AT THE PRESENT MEETING WERE THE HARDCORE ISSUES SUCH AS VEToes, THE TURKISH CYPRIOT CLAIM TO THE POST OF FOREIGN MINISTER, AND THE VOTING PATTERN IN THE LEGISLATURE. ON THE LAST THEY COULD NOT ACCEPT A BLANKET VOTE BUT COULD ACCEPT WEIGHTED VOTING ON CERTAIN ISSUES.

4. I SAID THAT THE SECRETARY GENERAL HAD GIVEN US THE IMPRESSION THAT HE WAS ANXIOUS TO LIMIT DISCUSSION TO CRUCIAL AREAS. IT WOULD SEEM PRUDENT TO FOCUS ON SUCH ISSUES AND NOT PUSH OTHER POINTS TOO FAR. IT WAS NECESSARY TO ACHIEVE SUCCESS WITHIN THE LIMITS OF THE PRESENT DOCUMENTATION. WOULD IT NOT BE BETTER TO TRY TO SUCCEED ON SOME KEY ISSUES NOW, AS THE PRIME MINISTER HAD SUGGESTED TO KYPRIANOU, AND LEAVE OTHERS SUCH AS TROOP WITHDRAWALS UNTIL LATER.

5. MAVROMMATIS STRESSED THAT THE GREEK CYPRIOTS WANTED TO DISCUSS TROOP WITHDRAWALS NOW. THERE HAD TO BE SOME SEMBLANCE OF AN UNDERSTANDING ON THIS SINCE IT WAS A SINE QUA NON FOR SIGNING AN AGREEMENT. WHAT THE GREEK CYPRIOTS WANTED WAS A FULL DISCUSSION OF THE ISSUES. IT WOULD NOT BE POSSIBLE TO COVER THE WHOLE SPECTRUM IN THE TIME REMAINING AT THIS MEETING. A FORMULA SHOULD BE FOUND FOR ADJOURNING THE MEETING AND CONVENING ANOTHER ONE LATER TO CONTINUE THE DISCUSSION. BOTH SIDES APPEARED TO WANT THE PROCESS TO CONTINUE. THERE WAS EVIDENT GOODWILL AND A GOOD ATMOSPHERE. GIVEN TIME AND A PROPER DISCUSSION OF THE ISSUES, MAVROMMATIS WAS OPTIMISTIC THAT THE TWO SIDES COULD REACH A SATISFACTORY AGREEMENT.

6. I REITERATED THE DIFFICULTIES OF MAKING PROGRESS ON THE QUESTION OF TROOP WITHDRAWALS AT THIS STAGE. THE AGREEMENT ON THIS SUBJECT WOULD DEPEND ON BUILDING UP CONFIDENCE BETWEEN THE TWO SIDES. IT WOULD SEEM REASONABLE TO SUGGEST THAT IT COULD BE LEFT UNTIL LATER TO RESOLVE. MAVROMMATIS WOULD NOT ACCEPT THIS. HE SAID THAT FURTHER DISCUSSIONS WERE ALSO NEEDED ON TERRITORY FOR EXAMPLE TO EXPLORE WHAT THE SECRETARY GENERAL MEANT BY SPECIAL STATUS AREAS. IN THE GREEK CYPRIOT VIEW THE AGENDA HAD ALWAYS ENVISAGED SUCH DISCUSSION.

7. I SAID THAT IT WOULD SEEM IMPORTANT FOR THE TWO SIDES TO SIGN A DOCUMENT AT THIS MEETING EVEN IF IT CONTAINED LESS THAN ORIGINALLY HOPED FOR IN ORDER TO MARK PROGRESS AND CARRY THE PROCESS FORWARD. MAVROMMATIS AGAIN INDICATED HIS RELUCTANCE FOR THE GREEK CYPRIOTS TO SIGN ANY DOCUMENT AT THIS STAGE. HE SAID THAT HE WOULD CONVEY MY SUGGESTION ABOUT FOCUSING ON A LIMITED NUMBER OF ISSUES TO KYPRIANOU. HE CONCLUDED BY SAYING THAT HE HOPED WE COULD DO SOMETHING ABOUT GETTING THE TURKISH CYPRIOTS TO ENTER INTO A DIALOGUE.

ADVANCE COPIES

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CYPRUS

PS

PS/LADY YOUNG

PS/MR RENTON

PS/PUS

MR DEREK THOMAS

MR JENKINS

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HD/UND

DEP HD/FUSD (2)

HD/NEWS DEPT

RESIDENT CLERK

PS/No.10 DOWLING STREET

D I O CABINET OFFICE

19.11.84

GPS 700

CONFIDENTIAL

FM UKMIS NEW YORK 190040Z JAN 85

TO FLASH FCO

TEL NO 29 OF 18 JANUARY 1985

INFO FLASH WASHINGTON

INFO IMMEDIATE NICOSIA ANKARA ATHENS

INFO PRIORITY UKDEL NATO UKREP BRUSSELS

INFO ROUTINE BONN PARIS ROME

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YOUR TELNO 17: CYPRUS: HIGH LEVEL MEETING

1. THE DEADLOCK IN THE HIGH LEVEL MEETING HAS CONTINUED TODAY. THE SECRETARIAT ARE VERY CONCERNED. THEY SEE NO LIKELIHOOD OF AN AGREEMENT BEING REACHED WITHOUT A CHANGE OF ATTITUDE BY THE PARTIES AND BY KYPRIANOU IN PARTICULAR. THE ONLY BRIGHT SPOT IS THAT THE ATMOSPHERE BETWEEN THE PARTIES IS REASONABLY GOOD AND NEITHER SHOWS SIGNS OF WALKING OUT.
2. THE SECRETARIAT ASKED TO SEE US AND THE AMERICANS THIS AFTERNOON. MIFT CONTAINS A FULL ACCOUNT. THEY TOLD US THAT KYPRIANOU SEEMED COMPLETELY UNWILLING TO ACCEPT THE SECRETARY GENERALS DOCUMENTATION AS A FRAMEWORK FOR AN AGREEMENT. INSTEAD HE HAD BROUGHT UP A WIDE RANGE OF ISSUES FOR DISCUSSION. DENKTASH FOR HIS PART CONTINUED TO ARGUE THAT HE HAD ACCEPTED THE DRAFT AGREEMENT AND THAT IT WAS NOW UP TO KYPRIANOU TO DO SO TOO.
3. THE SECRETARY GENERAL HAS BEEN MAKING VARIOUS EFFORTS TO BREAK THE DEADLOCK. HE SOUGHT THIS MORNING TO LINK ENDORSEMENT BY THE TWO SIDES OF THE DRAFT HIGH LEVEL AGREEMENT AND RELATED UNDERSTANDINGS TO AGREEMENT AT A SUBSEQUENT HIGH LEVEL MEETING ON MUTUALLY AGREEABLE GUIDE LINES FOR THE WORKING GROUPS WHICH WOULD COVER THE ISSUES OF PARTICULAR IMPORTANCE TO THE GREEK CYPRIOTS. KYPRIANOU WOULD NOT AGREE TO THIS COMPROMISE. DENKTASH HAD RESERVATIONS.
4. MAVRÖNNATIS TOLD ME THIS AFTERNOON THAT THE TWO SIDES WERE ENTIRELY AT CROSS PURPOSES. HE SAID THAT THE GREEK CYPRIOTS WANTED TO HAVE A FULL DISCUSSION OF THE KEY ISSUES WITH DENKTASH. HE INDICATED THAT THEY DID NOT WISH TO SIGN DOCUMENTS AT THIS MEETING

~~WTCU THAT THEY DID NOT WISH TO SIGN DOCUMENTS AT THIS MEETING~~
BUT TO OPEN A DIALOGUE WHICH WOULD BE CONTINUED AT A FURTHER HIGH
LEVEL MEETING WITH THE AIN OF REACHING AN AGREEMENT BETWEEN THE
TWO SIDES COVERING THE KEY ISSUES OF IMPORTANCE TO THE GREEK CYPRIOTS
INCLUDING TROOPS WITHDRAWALS. MY SECOND IFT GIVES A FULL ACCOUNT
OF OUR MEETING.

5. THE TURKS PREDICTABLY PLACE ALL THE BLAME ON KYPRIANOU FOR THE
IMPASSE. THEIR DEPUTY PERMANENT REPRESENTATIVE HAS EMPHASISED TO
ME THAT DENKTASH IS PREPARED TO FALL IN WITH THE SECRETARY GENERALS
PROPOSALS, TO ENTRUST THE OUTSTANDING ISSUES TO WORKING GROUPS AND
TO HAVE FURTHER MEETINGS WITH KYPRIANOU WHENEVER NECESSARY TO
RESOLVE SUCH DIFFICULTIES AS MIGHT ARISE.

6. THE US MISSION HAVE TOLD US THAT WASHINGTON IS TREATING
GREEK CYPRIOT APPEALS FOR HELP WITH CAUTION AND ARE RELUCTANT
TO BECOME INVOLVED. CONTRARY TO PRESS REPORTS HAASS, THE US SPECIAL
COORDINATOR ON CYPRUS, HAS REMAINED IN WASHINGTON.

7. IT SEEMS CLEAR THAT KYPRIANOU HAS IGNORED
THE PRIME MINISTERS ADVICE AND SOUGHT TO
ENGAGE IN AN OPEN ENDED DISCUSSION ON ALL THE MATTERS AT ISSUE
RATHER THAN CONCENTRATE ON REACHING AGREEMENT ON THE KEY ISSUES OF
TERRITORY AND CONSTITUTION USING THE SECRETARY GENERALS DOCUMENTATION
AND LEAVE THE OTHER KEY QUESTIONS SUCH AS TROOP WITHDRAWALS UNTIL
LATER. THE SECRETARY GENERALS SUGGESTED COMPROMISE IN PARAGRAPH
3 ABOVE SEEMS EMINENTLY SENSIBLE AND IT IS DISAPPOINTING THAT
KYPRIANOU SHOULD HAVE REJECTED IT. BY TRYING TO AVOID AGREEMENT
AT THIS MEETING AND LEAVING EVERYTHING OPEN IN THE HOPE OF
REACHING AGREEMENT AT SOME SUBSEQUENT HIGH LEVEL MEETING OR
MEETINGS, HE IS TAKING A CONSIDERABLE RISK THAT THE WHOLE PROCESS
WILL LOSE MOMENTUM AND BEGIN TO UNRAVEL.

8. I HESITATE TO MAKE A FIRM RECOMMENDATION AS TO THE ACTION THE
PRIME MINISTER MIGHT TAKE UNTIL I HAVE BEEN ABLE TO SPEAK TO THE
SECRETARY GENERAL WHOSE VIEW ON THE SITUATION REACHED AT THE MEETING
AND ON WHAT ACTION WOULD BE HELPFUL ARE CRUCIAL. AS FAR AS I KNOW HE
IS STILL ENGAGED IN INTENSIVE DISCUSSION WITH THE TWO SIDES AND MAY
BE MAKING PROGRESS. ONCE I HAVE BEEN ABLE TO SPEAK TO HIM I WILL
REPORT FURTHER.

MAXEY

NNNN

CYPRUS

PS

PS/LADY YOUNG

PS/MR RENTON

PS/FUS

MR DEREK THOMAS

MR JENKINS

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HD/SED

HD/UND

DEP HD/PUSD (2)

HD/NEWS DEPT

RESIDENT CLERK

PS/No.10 DOWNING STREET

D I O CABINET OFFICE

19.11.84

- OO NICOSIA
- OO ANKARA
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- PP UKDEL NATO
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- RR PARIS
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- GPS 650

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FM UKMIS NEW YORK 190035Z JAN 85

TO FLASH FCO

TEL NO 00 OF 16 JANUARY 1985

INFO FLASH WASHINGTON

INFO IMMEDIATE NICOSIA ANKARA ATHENS

INFO PRIORITY UKDEL NATO UKREP BRUSSELS

INFO ROUTINE BONN PARIS ROME

MY IPT:

CYPRUS: HIGH LEVEL AGREEMENT

1. FOLLOWING IS AN ACCOUNT OF WHAT SHERRY HAD TO SAY WHEN HE ASKED TO SEE US AND THE AMERICANS THIS AFTERNOON (18 JANUARY).

2. THE SECRETARIAT WERE IN TROUBLE. KYPRIANOU HAD COME THROUGH THE DRAFT AGREEMENT LISTING OBJECTION AFTER OBJECTION. THESE WERE NOT NECESSARILY INCOMPATIBLE WITH THE DRAFT (WITH ONE EXCEPTION) BUT REPRESENTED ADDITIONAL DEMANDS. IT WAS NOW BEGINNING TO LOOK AS THOUGH THE GREEK CYPRIOTS WERE UNWILLING TO ACCEPT THE SECRETARY GENERALS DOCUMENTATION AS A FRAMEWORK. THE SECRETARIAT DID NOT KNOW WHAT TO MAKE OF KYPRIANOUS PERFORMANCE. IT COULD BE THAT HE WAS JUST PLAYING HARD TO GET FOR DOMESTIC POLITICAL PURPOSES AND WOULD IN THE END COME TO SOME AGREEMENT. ALTERNATIVELY, THERE MIGHT HAVE BEEN SOME TOTAL MISUNDERSTANDING OVER THE SECRETARIATS ASSUMPTION

4016 TOTAL PERIODS TRADING OVER THE SECRETARIATS ACCOUNTS
THAT HE HAD ACCEPTED THE FRAMEWORK OF THE DOCUMENTATION.

3. DENKTASH'S REACTION HAD BEEN RESTRAINED. HE CONTINUED TO ARGUE THAT HE HAD ACCEPTED THE DRAFT AGREEMENT AND THAT IT WAS NOW UP TO KYPRIANOU TO DO THE SAME. ALL ADDITIONAL POINTS, HE SAID, SHOULD BE REFERRED TO THE WORKING GROUPS. KYPRIANOU IN RETURN, RIGHTLY IN SHERRY'S VIEW, ARGUED THAT THE WORKING GROUPS COULD NOT TAKE MAJOR POLITICAL DECISIONS AND THAT THE TWO LEADERS NEEDED TO AGREE GUIDE LINES ON THESE IN ADVANCE.

4. THIS MORNING THE SECRETARY GENERAL IN AN EFFORT TO BREAK THE DEADLOCK HAD GIVEN THE TWO SIDES A NON-PAPER. SHERRY ALLOWED US TO TAKE NOTES OF THIS PAPER WHICH TOOK THE FORM OF A DRAFT DOCUMENT TO BE AGREED BY THE TWO SIDES. IT SAID THAT THE PARTIES ENDORSED THE DOCUMENT (IE DRAFT HIGH LEVEL AGREEMENT) WHICH THE SECRETARY GENERAL HAD GIVEN THEM, HIS PRESENTATION OF 27 NOVEMBER AND THE 'UNDERSTANDINGS'. IT WAS ALSO UNDERSTOOD THAT FURTHER MUTUALLY AGREEABLE GUIDELINES FOR THE WORKING GROUPS WOULD BE PREPARED AT A RESUMED JOINT HIGH LEVEL MEETING BEGINNING ON (DATE LEFT BLANK) AND THAT THESE WOULD CONSTITUTE PART OF THE INTEGRATED FRAMEWORK FOR A COMPREHENSIVE SETTLEMENT. THE GUIDE LINES FOR THE WORKING GROUPS WOULD COVER ISSUES SUCH AS MATTERS SUBJECT TO DIFFERENT VOTING SYSTEMS IN THE LEGISLATURE, MATTERS OF SPECIAL CONCERN TO THE TURKISH CYPRIOTS ON THE EXECUTIVE, THE THREE FREEDOMS, THE WITHDRAWAL OF NON-CYPRIOT TROOPS, INTERNATIONAL GUARANTEES, TERRITORIAL ADJUSTMENTS AND SPECIAL STATUS AREAS.

5. TO THE SECRETARIAT'S DISMAY KYPRIANOU TURNED THIS DOWN FLAT SAYING THAT HE COULD NOT ENDORSE THE DOCUMENTATION TO WHICH THIS REFERRED. DENKTASH WAS ALSO, FOR OPPOSITE REASONS, NOT KEEN ON 'ENDORSE' BUT SAID THAT HE COULD ACCEPT THE PROPOSAL PROVIDING IT STOPPED AFTER THE MENTION OF A DATE AND SAID NOTHING ABOUT THE GUIDE LINES CONSTITUTING PART OF AN INTEGRATED FRAMEWORK OR WHAT ISSUES THEY WOULD COVER. HE DID NOT ACCEPT THE IMPLICATION THAT ACCEPTANCE OF THE DOCUMENTATION WOULD BE CONDITIONAL ON SUBSEQUENT AGREEMENT ON THE GUIDE LINES.

6. SHERRY SAID THAT THE SECRETARY GENERAL WOULD BE TRYING A DIFFERENT TACK AT A SECOND MEETING BETWEEN THE TWO SIDES SCHEDULED FOR LATER THIS AFTERNOON. HE WAS PLANNING TO MODIFY THE DRAFT AGREEMENT AT THREE POINTS (SHERRY REFUSED TO SAY WHAT THESE ARE BUT HINTED THAT TWO OF THEM WERE LEGISLATURE AND THE THREE FREEDOMS). IF KYPRIANOU WOULD ENDORSE THE DRAFT AGREEMENT WITH THESE CHANGES, THE SECRETARY GENERAL WOULD THEN TRY TO SELL IT TO DENKTASH.

7. SHERRY ADDRESSED A LOW KEY REQUEST TO US AND THE AMERICANS TO HELP. HE SAID THE TIME HAD COME FOR ACTION. IT WAS NECESSARY TO MAKE VERY CLEAR TO THE GREEK CYPRIOTS THE RISK WHICH THEY WERE FACING. NEVER HAD THE TWO SIDES GONE SO FAR TOWARDS A SETTLEMENT. BY PRESSING FOR ALL THAT THEY WERE PRESSING FOR THEY WERE JEOPARDISING THE CHANCE OF AN AGREEMENT AND MIGHT NEVER HAVE ANOTHER CHANCE.

8. SHERRY CONCLUDED THAT THE ONE BRIGHT POINT IN THE PROCEEDINGS WAS THAT THE ATMOSPHERE BETWEEN THE TWO SIDES WAS REMARKABLY GOOD. THEY WERE TALKING TO EACH OTHER QUITE AMICABLY AND SHOWED

9. SHERRY CONCLUDED THAT THE ONE BRIGHT POINT IN THE PROCEEDINGS WAS THAT THE ATMOSPHERE BETWEEN THE TWO SIDES WAS REMARKABLY GOOD. THEY WERE TALKING TO EACH OTHER QUITE AMICABLY AND SHOWED NO WISH TO END THE DIALOGUE. BUT AT THE SAME TIME NEITHER SIDE WAS PREPARED TO BUDGE FROM ITS POSITION.

MAXEY

NNNN

INT QUIZZEL ZZ