



31 March 2004

**Opening statement and unofficial transcript of remarks to the press by
Secretary-General's Special Adviser on Cyprus, Alvaro de Soto
Füringen Hotel, near Bürgenstock, Switzerland**

Alvaro de Soto: Good evening. The deed is done. The Secretary-General finalised the text that the leaders have agreed to submit to referendum. The date has been pushed back a little until the 24th of April. It is now in the hands of the people but, of course, the leaders have an important responsibility to explain to the people the plan and the conditions in which they have to take the decisions and the options, if any. There will be a fair amount of explaining to do because the plan is actually quite different from the one that a lot of people have been trashing for the last year or so. So, they will have to relearn it I suppose. I believe that the plan is considerably improved. It's improved in many ways, as I think it will be quite evident once you read it in terms of how the machinery of the United Cyprus Republic will operate, in terms of the relations between the constituent States and the Federal government, the viability of the plan and an improved, fairer, smoother working property system, and a sounder financial base. And it's also, surprising as it may seem, a plan thanks to which it will be possible for the separate constituent States, and particularly the Turkish Cypriot constituent State which felt certain concerns, to be able to run their own affairs, by and large, in safety and in dignity. So, we look forward to the coming few weeks. I myself will be traveling to New York tomorrow to brief the Security Council in order to prepare them for a concrete proposal that will be presented on behalf of the leaders by the Secretary-General for a considerable transformation of the United Nations peacekeeping operation, which will become an operation of a different type. There is lots to do, the Secretary-General has given letters to the two leaders as well as to the guarantor States asking them to take a certain number of steps that need to be taken in the course of April.

I will take your questions now, if possible.

Questions and Answers

Question: *Is it your understanding that with this agreement, two States, two democracies, and two peoples will be established in Cyprus as Mr. Erdogan asserted earlier?*

A d S: Well, the characteristics of the new state of affairs, I think, are fairly self-explanatory. They are contained in the plan. The United Cyprus Republic is a single State and it is composed of two constituent States. I think it provides the makings of a Cyprus that can actually live in harmony.

Yes, Mr. Gilson.

Question: *You said that now the matter is in the hands of the people, but a lot of people on the Greek Cypriot side would say that you left the Greek Cypriot leadership empty*

handed going back to Cyprus. You strengthened the bi-zonality, [inaudible]. You've allowed the Turkish troops to remain on the island ad infinitum even after entering the EU. You've done a lot of the things that the Greek Cypriots didn't want you to do and little they would say that they wanted you to do. Why should they vote for this?

A d S: Well, it reunifies the island; tens of thousands of Turkish troops will be leaving the island. Over a hundred thousand Greek Cypriots will be able to go back to their homes under Greek Cypriot administration and quite a few others under Turkish Cypriot administration can recover their properties. In fact, almost everyone can recover one third of their property under the new property scheme. While it is true that a token number of troops would be able to remain on the island indefinitely according to the plan, it is a token number. There will be a review mechanism which will pay attention to this question over the years. I think that they will now have a government that can function very efficiently. What is more, the themes that were underscored by the Greek Cypriot side in the course of the negotiation, which were to try to work within the philosophy of the parameters of the plan - but to make the plan actually work more efficaciously - have to a large extent been addressed. Mr. Papadopoulos was very energetic in his insistence that all federal laws that needed to be in place should be in place and, as a matter of fact, dozens upon dozens of Greek Cypriot and Turkish Cypriot lawyers, toiled in unison on the island for several weeks and did agree on over a hundred and thirty laws, federal laws, that are attached as part of the plan and insure the under-pinning of the government. A special committee produced a number of recommendations in the economic and financial sphere that actually insure the viability of the mechanism, particularly on property. Mr. Papadopoulos and the Greek Cypriot side insisted on a compressing of the transitional periods that were originally foreseen for the putting in place of the federal institutions of government, and to a large extent those are in the plan now. The transitional phase has been reduced from the original thirty months to two months. Mr. Papadopoulos insisted on there being a UN role in the territories that were due for transfer to the Greek Cypriots so as to ensure that it had actually happened. I think that that's quite a long list of accomplishments on the part of the Greek Cypriot side.

Question: *Is the Security Council going to raise this plan when they examine the Cyprus problem on Friday?*

A d S: No, no. What I am going to do on Friday is brief the Security Council, give them a first heads-up. They will want to digest this with great care. What has been in preparation for quite some time now, and continues still in preparation and would shortly be submitted to the Security Council, is a more formal proposal which describes the concept of operations which, as I was saying earlier, creates a different type of peacekeeping operation. Essentially, what the United Nations does now in Cyprus is monitor the buffer zone. Now, it will be an essentially whole island operation, which will oversee not only the military aspects, reduction of military presence, demilitarisation, and so on and so forth, further separation and gradual withdrawal where there are more troops than required, but it will also monitor the implementation of the many aspects of the plan that need to be implemented. We will be there to help them.

Question: *Will the resolution be adopted after the referendum?*

A d S: No, normally what the Security Council, which is of course sovereign in these matters, does, is approve a resolution prior to the referenda but whose entry into force would be implemented upon approval of the two referenda.

Question: *How would you characterize these negotiations because we've just heard the Greek Prime Minister say "it proved impossible to reach an agreed solution"?*

A d S: Well, it's a bit of a *sui generis* negotiation. Let's say, the kind of direct traditional give and take occurred in some instances but by and large the final result emerged from consultations involving the two sides, and also with the assistance naturally of Greece and Turkey. I think that all the participants in this process of the last week or so in Bürgenstock have come away with a sense of having compromised, and some of the things that are contained in the plan are not altogether to the liking of all the participants. But that is in the nature of compromise. Cyprus is a country that has known strife for a long period of time and piecing it back together is a difficult thing to do.

Question: *Since this plan is not presented as a result of a formal agreement, how strong do you think the chances are for referenda?*

A d S: Well, I think that the coming period will be one in which the people will have an opportunity at last to examine soberly what is the reality. Unfortunately, I don't want to apportion responsibility here, people in Cyprus over the years if not decades have become accustomed to the impression that a settlement meant something quite different from what it realistically could be. What they will have now is something before them that provides for a number of benefits for each of the two sides. I have mentioned a few of them earlier in response to Mr. Gilson's question. The Turkish Cypriots also have a lot to obtain. The key for instance is that they will be able to come out of their isolation and that they will be opening up to the world, not just to the Greek Cypriots and the European Union. It can transform life and I think that there is a heavy responsibility on the leaders to explain to their people what is involved in this, what they can hope to obtain if it is successful, and what they stand to lose if they do not approve. So, what I am looking forward to is a healthy, sober, and I hope from now on, more objective debate.

Question: *You don't have to read between the lines but when you look at the document, you can see that the Greeks [inaudible] have rejected it and before, the Greek Cypriots also expressed disappointment [inaudible]. How can you be optimistic about this plan with this state of affairs?*

A d S: They must be some extremely fast readers. This is off the press since an hour or two ago. I don't know how you managed to digest it. Take your time, look at it carefully.

Question: *Mr. Erdogan told us just a few minutes ago that the agreement has approved his demand for the inclusion of the plan as primary law. Is that so?*

A d S: There is actually a reference in the act of adaptation to that but I don't have the precise details off the top of my head. I'm a little bit groggy - sleepless nights and all that.

Question: *You're a bit evasive, Sir. Surely you must know, is it or isn't it primary law?*

A d S: Well, I don't know. I don't have every single word of it. You see, I am not as fast a reader, and certainly not a memorizer, as the people quoted by the gentlemen out there.

Question: *What is going to happen if the Greek side says no?*

A d S: Well, the whole project will be null and void. That's all. It stops in its tracks. But actually, in response to Mr. Eftyvolion's question, actually what there is, is an acceptance by the European Commission to bring to the European Council a request for the accommodation so as to ensure that the settlement and all that it contains is legally secure and less vulnerable to challenge. And in many ways, the plan has actually become quite a bit more legally secure than it was before to the extent that it no longer contains any permanent derogations.

Question: *Irrespective of what... [inaudible]... the fact remains that there is... [inaudible]... how can you change the situation? And on something else, what is your message to Mr. Rauf Denktash?*

AdS: When I said my goodbyes to Serdar Denktash a moment ago I sent my regards to his father and I hope to call on him next week. With respect to your first question, I thought I had tried to address that point in response to George Gilson's question a moment ago. Without too much effort and trying to put things in perspective I enumerated a fair number of things that the Greek Cypriot side is obtaining from this objectively. The problem is that there is a tendency, and I don't want to criticize the press, but there is a tendency to exacerbate things, and I understand that. You people have to sell newspapers or get camera time, but it's really not right to look at this as if it were a boxing match and to keep score. The Secretary-General made a reference to that in his speech this evening. Of course, people are looking to see how this improved, and who got most or who got less in this revision than in last Monday's revision, and who got more or less in Monday's revision by comparison with the 26 February [version]. Let's step back and look at the big picture. The big picture is that this allows for the possibility of solving the Cyprus problem once and for all, maybe a last chance to do so, and look at all the things that come about if it is solved. None of those things are going to happen if there is no settlement, and if there is not I don't see an option available.

Question: *Do you think that Mr. Denktash can actually turn the tables?*

AdS: I really don't know the answer to that question. It's not in my power.

Question: *If I understood you correctly, is this the last chance or effort of the UN to solve the Cyprus problem?*

AdS: Pretty much, for the foreseeable future, but I am quite hopeful that it can be done. I know it is going to be an uphill struggle, but I am counting on the leadership of the leaders and on their vision. I just hope that people won't be acting with short term [considerations at this juncture].

Question: *What about all those changes that the Greek Cypriot side wanted? We just heard from the Turkish Prime Minister a few minutes ago that the Turkish side gained everything they wanted. Is this a permanent solution?*

AdS: I can tell you without going into detail that no side got all of what it wanted. This is a carefully wrought and balanced solution. It was very difficult. I can assure you following the presentation of this proposal for the revision of his plan by the Secretary-General, once we had received the reactions to the proposals of the Secretary-General, sifting through them, and trying to see where it was possible to actually improve it was a very, very difficult exercise. I think they can all safely say that they were able to obtain something fairly tangible.

Question: *Will the United Nations be active in the referenda in order to inform all the people of Cyprus or will it be left to the leaderships of both sides?*

AdS: There is a lot of work to be done to follow up. If you look at page 174 of the plan there's an appendix F entitled "measures to be taken during April 2004"; it's about a page and a half of homework of things that need to be done in order to ensure that everything is up and running when the settlement enters into force; refurbish and prepare buildings; list of initial federal property; appointments of the board of directors of the central bank; a list of 45,000 people that will be deemed to be citizens of the United Cyprus Republic upon entry into force; structure and staffing of the federal government; and, of course, we are continuing planning for what is likely to be a fairly major United Nations operation on the ground, both military and civilian police, and civilian components. Naturally, we will be available in order to explain and answer questions regarding the plan to the extent that they are needed.

Question: [mostly inaudible - on membership in the European Union and unilateral rights]

AdS: My impression is that the climate is changing, it already has changed drastically over the last 4 or 5 years, in the relations between Greece and Turkey, which have played an important role in making all of this possible, allowing us to get where we are now. It is true that there is a provision that allows a presence, but, I repeat, a token presence, under a thousand troops of all ranks, of Greece and Turkey both, not just one country. Of course, there will be a fairly long transition, but in not a very long time there will be a maximum of 6,000 personnel from each, and 7 years afterwards there will be only 3,000. I'd say that that's a pretty drastic difference from the situation that exists now. I think these are vestiges that are going away until everything is firm. Perhaps those in the region feel that this needs to be kept in place, but I think the climate is completely different and possibly a day will come when they will think that it is not necessary to have this. That is what the review periods are for.

Question: *If one party rejects the plan, is there a mechanism to save the plan?*

AdS: No. If one of them rejects, it's the end of the plan.

Question: *Are there any changes in the map? Can we see the map?*

AdS: [de Soto holds map to the camera.] There are no changes. The map remains as it was in the previous plan. [Interruption] I am not going to celebrate until the referendum is approved.

Question: *If my notes are correct, the SG said the people have a choice between this settlement and no settlement at all?*

AdS: That's correct. That's what the Secretary-General believes.

Question: *Will the UN stop handling Cyprus if one of the two people says no?*

AdS: Well, if one of the two people say no to the referendum...the people are sovereign. If they do not want to come to terms on a basis which most of the world, the Security Council, the European Union, considers to be reasonable and honourable, well then, what can we do?

Question: *Mr. Erdogan said he would have liked to sign. Was the signature a formal question by the SG or by you?*

AdS: Well, various possibilities existed. One that was being discussed towards the end would have been what amounted to a certification by the participants that this is the text that is going to referendum. In the event another way was chosen, and the Secretary-General simply wrote to the Cypriot leaders, as well as to the guarantors, and confirmed that this is it, you agreed to take the text that would be finalized on 31st March to referendum, here you have it.

Question: *We listened to the Turkish Prime Minister just now and he had nothing negative to say about the plan. How can you explain this?*

AdS: You'd have to ask him.

Question: *You spoke earlier of the expectations of the people for a long time for a settlement. These expectations were based on Security Council resolutions which made specific demands: withdrawal of the Turkish troops, return of the refugees, and these wiped out in the settlement. How do you explain this [action] by the United Nations, ignoring its own resolutions?*

AdS: I think there's a very large number of troops that are going to be leaving the island in the predictable future if the referendum is approved, it's got to be approved. And also a number of people whom you call refugees, I'm not quite sure whether that's a technical term, I believe it's not, but a number of them under this plan will be able to return.

Question: [inaudible]

AdS: I don't think it uses the word refugees, it has a very precise meaning in international law and the Security Council is careful about the terminology it uses. You have to cross international borders, unless you consider there is an international border within Cyprus.

Question: *Who would you describe as the toughest negotiator in this process and what is your message for the people of Cyprus tonight?*

AdS: You'll have to wait to read my memoirs for my characterizations.

Question: *Are there any changes between the plan that was presented on Monday and the one that was presented today?*

AdS: Yes, that's what I can tell you. We didn't release the one that was published on Monday, so I don't want to go into that.

Thank you very much. Good night.

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