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DESKBY 081930Z FRAME EXTERNAL

FROM ROME C81835Z APR 82

TO IMMEDIATE FCO

TELNO 158 OF 08 APR 82

INFO IMMEDIATE DESKBY 081930Z UKREP BRUSSELS

INFO PRIORITY WASHINGTON, UKMIS NY, UKDEL NATO, AND OTHER EC POSTS



MY TELNO 153: FALKLAND ISLANDS

- 1. THE PRIME MINISTER'S OFFICE ANNOUNCED AT 1330 TODAY THAT SPADOLINI HAD REPLIED TO MRS THATCHER'S LETTER, ASSURING HER THAT HE WOULD PROPOSE AT A CABINET MEETING TODAY THE ADOPTION OF A SERIES OF MEASURES TOWARDS ARGENTINA, INCLUDING SUSPENSION OF SUPPLIES OF MILITARY EQUIPMENT AND PROVISIONS OF A FINANCIAL MATURE.
- 2. THE CABINET MEETING HAS JUST ENDED, AND A COMMUNIQUE HAS ISSUED.
 OUR TRANSLATION OF THE COMMUNIQUE FOLLOWS:

QUOTE: FOREIGN MINISTER COLOMBO MADE A STATEMENT ABOUT THE ARGENTINE MILITARY INTERVENTION IN THE FALKLAND ISLANDS AND THE DANGEROUS INTERNATIONAL SITUATION WHICH HAS RESULTED FROM IT. AS REGARDS THE FALKLAND ISLANDS DISPUTE, THE ITALIAN GOVERNMENT MUST ONCE AGAIN ON THIS OCCASION CONFIRM THAT. AS A FIRM PRINCIPLE OF ITS FOREIGN POLICY, IT IS OPPOSED TO THE USE OF FORCE TO RESOLVE INTERNATIONAL DISPUTES. MOREOVER THE ITALIAN GOVERNMENT ACKNOWLEDGES THE POSITION TAKEN BY THE TEN. AND IN HARMONY WITH THAT DECISION HAS PLACED AN EMBARGO ON WAR EQUIPMENT DESTINED FOR ARGENTINA. THE PRESENT DISPUTE. WHICH HAS WORSENED AFTER MANY YEARS OF INCONCLUSIVE NEGOTIATIONS, MUST BE RESOLVED ACCORDING TO THE SPIRIT AND THE LETTER OF THE SECURITY COUNCIL RESOLUTION OF 3 APRIL, THROUGH DIPLOMATIC NEGOTIATIONS WHICH TAKE ACCOUNT OF ALL THE HISTORIC, POLITICAL AND ECONOMIC ELEMENTS OF THE PROBLEM WHICH HAS ARISEN. THE ECONOMIC AND FINANCIAL ASPECTS OF RELATIONS WITH ARGENTINA ARE TO BE EXAMINED IN A COMMUNITY CONTEXT IN A SPIRIT OF COLLABORATION. UNQUOTE.

3. WE UNDERSTAND THE ARMS EMBARGO TO HAVE IMMEDIATE EFFECT.
THE MFA AND PRIME MINISTER'S OFFICE HAVE BOTH MADE CLEAR TO US
THAT THE PRECISE FORM OF ITALIAN ECONOMIC AND FINANCIAL MEASURES
WILL DEPEND ON TOMORROW'S POLITICAL COMMITTEE IN BRUSSELS.
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UND SED ADDITIONAL DISTN FALKLAND ISLANDS

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