STATEMENT BY THE TURKISH MINISTRY OF FOREIGN AFFAIRS ON 21 AUGUST 1998, CONCERNING PRESIDENT OF THE TURKISH REPUBLIC OF NORTHERN CYPRUS RAUF DENKTAŞ'S PROPOSAL FOR A CONFEDERATION IN CYPRUS

Mr. Denktas, President of the TRNC (the Turkish Republic of Northern Cyprus), made a peace call to the Greek Cypriot side and proposed "to establish together a Confederation in Cyprus".

Turkish Foreign Minister, Mr. Ismail Cem, who was present at the press conference held by President Denktaş this morning, said: "My presence here is the expression of the Turkish Government's support and trust for President Denktaş."

President Denktaş's five point proposal is as follows:

Proposal for a Lasting Solution in Cyprus

As a final effort to achieve a mutually acceptable lasting solution in Cyprus, I propose the establishment of the Cyprus Confederation based on the following arrangements:

1. A special relationship between Turkey and TRNC on the basis of agreements to be concluded;

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- 2. A similar special relationship between Greece and the Greek Cypriot Administration on the basis of symmetrical agreements to be concluded;
- 3. Establishment of a Cyprus Confederation between TRNC and GCA;
- 4. The continuation of the 1960 guarantee system; and
- 5. The Cyprus Confederation may, if both parties jointly agree, pursue a policy of accession to the EU. Until Turkey's full membership to the EU, a special arrangement will provide Turkey within the full rights and obligations of an EU member with regard to the Cyprus Confederation.

The ultimate aim of the negotiations will thus be a partnership settlement which will be a confederated structure composed of two peoples and of two states on the island supported by symmetrical agreements with the two respective motherlands and guarantor states. All rights and powers which are not referred to the confederal entity will reside with the two confederated states. Any agreement to be reached as a result of the negotiations will be submitted for approval in separate referenda.

By participating in these negotiations the parties will acknowledge that the Greek and Turkish Cypriot sides are two sovereign and equal states, each with its own functioning democratic institutions and jurisdiction, reflecting the political equality and will of their respective peoples. They will also acknowledge that the authority of one party does not represent the other.

We believe that only this structure:

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- a) will provide for the security of both sides.
- b) will safeguard their identity and well being.

If the Greek Cypriots agree to this final basis, we are ready to begin negotiations to establish the Cyprus Confederation."