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Report of the Secretary-General on his mission of good offices in Cyprus**I. Introduction**

1. My previous report to the Security Council regarding the full-fledged negotiations between the Greek Cypriot and Turkish Cypriot leaders was contained in the report of the Secretary-General on the United Nations operation in Cyprus (S/2009/248), submitted to the Security Council on 15 May 2009, pursuant to Security Council resolution 186 (1964) and subsequent Council resolutions. The Security Council, in its most recent resolution 1873 (2009), adopted on 29 May 2009, welcomed the progress made in the negotiations and the prospect of further progress in the near future towards a comprehensive and durable settlement. The present report covers developments related to my good offices mission in Cyprus during the period from 10 May 2009 to 25 November 2009.

II. Background

2. The agreement of 21 March 2008 between the Greek Cypriot leader, Demetris Christofias, and the Turkish Cypriot leader, Mehmet Ali Talat, initiated the current round of negotiations. At their meeting on 23 May 2008, the two leaders reaffirmed their commitment to a bizonal, bicommunal federation with political equality, as defined by relevant Security Council resolutions. This partnership will have a Federal Government with a single international personality, as well as a Turkish Cypriot Constituent State and a Greek Cypriot Constituent State, which will be of equal status (see S/2008/353, annex III). On 1 July 2008, they discussed the issues of single sovereignty and citizenship, on which they agreed in principle.

3. A four-month preparatory period saw the establishment and functioning of six working groups to initiate a review of the key substantive chapters to be negotiated and seven technical committees to work on confidence-building measures aimed not only at improving the everyday lives of Cypriots, but also at encouraging and facilitating greater interaction among them. On 25 July 2008, having carried out their final review of the preparations made thus far, the leaders decided to launch full-fledged negotiations in September 2008, under my good offices. In a joint statement issued the same day, they stated: "The aim of the full-fledged negotiations is to find a mutually acceptable solution to the Cyprus problem which will safeguard



the fundamental and legitimate rights and interests of Greek Cypriots and Turkish Cypriots. The agreed solution will be put to separate simultaneous referenda”.

4. At the end of July 2008, the leaders initially announced 16 confidence-building measures agreed by the technical committees, relating mainly to the environment, health and cultural heritage. The number of agreed measures has since risen to 23, and four technical committees — namely, those on crime and criminal matters, cultural heritage, environment and health — have continued to meet.

5. Since the full-fledged negotiations began, on 3 September 2008, several papers have been produced by the leaders, their representatives and experts, setting out the positions of the two sides on the issues and indicating areas of convergence and divergence.

III. Work of the good offices

6. Since my previous report, my Special Adviser Mr. Alexander Downer has regularly visited the island to facilitate the negotiations between the parties. All of the meetings conducted either between the leaders or between their representatives during this period have taken place in the presence of my Special Adviser and/or my Special Representative Mr. Tayé-Brook Zerihoun. During his visits to Cyprus, my Special Adviser has also met separately with the leaders or their representatives on a regular basis, as well as with political party leaders, representatives of civil society, members of the business community and other prominent personalities, including religious figures, and representatives of a broad cross section of the communities in the north and the south, to hear their views and concerns.

7. Beyond his immediate office, my Special Adviser has engaged several international experts to provide him with focused advice on some of the more complex issues being discussed in the negotiations. During the reporting period, experts on governance and power-sharing and property visited the island on several occasions to meet with my Special Adviser and his team. They also met with the experts from the negotiating teams of both sides on their specific issues of focus.

8. In October, as part of the commitment of the European Union to providing technical support to the settlement process, Mr. José Manuel Barroso, President of the European Commission, appointed an official to act as a liaison between the Commission and my good offices mission in Cyprus.

9. Assessing the peace process under Security Council resolution 1325 (2000), a gender consultant engaged by the United Nations Development Programme (UNDP) interacted with a wide spectrum of civil society leaders, their representatives and members of the majority of the political parties in late October and early November. An initial assessment is pending, and project proposals aimed at enhancing the role of women in the peace process are anticipated for consideration by the parties.

10. During the reporting period, my Special Adviser also travelled to Beijing and Moscow to meet with the Minister for Foreign Affairs of China and the Deputy Minister for Foreign Affairs of the Russian Federation, respectively. In addition, he met with the Minister for Foreign Affairs of Greece and the Minister for Foreign Affairs of Turkey, as well as the Secretary of State for Foreign and Commonwealth Affairs of the United Kingdom of Great Britain and Northern Ireland. The

interlocutors reaffirmed their support for the peace process and expressed their commitment to assisting the parties in achieving a solution to the Cyprus problem.

11. Subsequent to my previous report, I had the opportunity to have separate meetings with Mr. Christofias and, later, with Mr. Talat, in New York in September 2009. At the meetings, I welcomed the commitment of both leaders to a solution and urged them to show flexibility and make compromises in the coming weeks and months. I reiterated that the United Nations would continue to do what it could to assist the two sides at their request and encouraged them to make full use of my good offices mission. I also had contacts on the Cyprus issue with other key interlocutors, including Prime Minister Recep Tayyip Erdoan of Turkey, with whom I met in New York in September and in Rome in November, and the European Union Troika, with whom I met in New York in September 2009. In November, I had the opportunity to meet with the leadership of the newly elected Government of Greece, in particular, Prime Minister George Papandreou and Alternate Foreign Minister Dimitris Droutsas, during my official visit to that country. All expressed to me their desire for an expeditious solution to the Cyprus problem that would be acceptable to both sides.

IV. Progress of the talks

12. Since my previous report, the leaders have met 27 times and their representatives 24 times within the framework of the full-fledged negotiation process. In early August 2009, the leaders completed the first phase of the discussion of all six chapters: governance and power-sharing, property, European Union-related matters, economic matters, territory, and security and guarantees. During that phase, the leaders made steady progress, reaching agreement on a number of issues and gaining a better understanding of each other's positions on the remaining issues. This was important groundwork for the more intensive second phase, which began on 11 September 2009, a little more than a year after the launching of the full-fledged talks. The leaders have since increased the pace of the talks, deciding to aim to meet twice a week from October onwards and increasing the number of meetings between their representatives in the intervals between formal negotiating sessions.

13. In the first phase of the talks, considerable convergence was achieved in the areas of governance and power-sharing, the economy and EU matters, with more limited progress being made with regard to property, territory and security. As they had agreed, the leaders began the second phase by focusing on governance and, in particular, on the election of the executive, federal competencies and external relations. Notably, in the area of governance, progress has been achieved on several aspects. This chapter is considered to be among the most pivotal, because the question of how power will be shared between the communities is at the heart of the debate in all the chapters. Since the second phase began, five meetings between the leaders have been devoted to discussions related to governance and power-sharing issues. Both sides have introduced bridging proposals, but convergence has yet to be achieved. The sides have also established an expert group on treaties, which has begun to discuss the process whereby they will jointly decide which treaties will be applicable to a united Cyprus.

14. In late October, the leaders returned to the discussion of the property issue, and they have since held five meetings on that subject. They have also tasked their representatives with preparing the groundwork for fuller discussions on the issue. To date, the representatives have held five meetings to move forward on the issue of property.

V. Confidence-building measures

15. The four technical committees that are still functioning are meeting regularly and have made steady progress. The technical committee on crime and criminal matters has established a joint contact room for the exchange and provision of timely information on those topics. The technical committee on cultural heritage has established an advisory board for the preservation, physical protection and restoration of the immovable cultural heritage of Cyprus and is also implementing such measures as restoring two pilot projects, compiling a list of immovable cultural heritage and developing an educational computer programme. The technical committee on health matters has begun to implement the measure concerning the passage of ambulances through crossing points in cases of emergency. The technical committee on the environment has focused on the implementation of a joint awareness campaign aimed at saving water. UNDP has earmarked more than \$600,000 to support such initiatives.

16. One of the concrete agreements on confidence-building measures reached by the leaders since my previous report has been the decision taken on 26 June 2009, following extended negotiations, to open a seventh crossing point between the communities and through the buffer zone to the north-west of the island, linking the villages of Limnitis/Yeşilırmak, in the north, and Kato Pyrgos, in the south.

VI. Observations

17. I am encouraged by the commitment, courage and determination shown by the two leaders despite the considerable challenges posed by the negotiations and the ongoing domestic criticism in the north and the south directed at the leaders and the process. It is important that both parties create a favourable environment and conditions conducive to the continued progress of the talks. In this regard, active participation and engagement on the part of civil society in the effort to achieve a solution and in its implementation will be crucial. Furthermore, the parties will have to be prepared to explain to the people in the clearest terms the benefits of a solution so that they can make an informed decision regarding the peace agreement.

18. In this context, it is noteworthy that, after the agreement was reached on nearly two dozen confidence-building measures during the preparatory phase of the talks, the parties made little progress in their implementation of some of those measures during the reporting period. The measures improve the daily lives of many Cypriots and also assist in facilitating increased interaction between the two communities. I urge the parties to make greater efforts to implement the confidence-building measures in order to strengthen intercommunal relations and to build greater public support within the communities for the process.

19. I commend the leaders for the progress achieved to date in the talks. There have been more than 50 meetings between the leaders since the current process began, and the meetings have been constructive. It is noteworthy that the gaps between the sides have narrowed on a number of important issues. However, differences remain, and it is clear that much work needs to be done in order to achieve full convergence. Implementing in practice the agreed objective of a bizonal, bicommunal federation with political equality in a united Cyprus in which the concerns of both parties are taken into account and that is, at the same time, functional and stable, is a considerable challenge. It is ambitious, but it is achievable.

20. It is encouraging to note that the leaders are focusing on the areas of divergence in the current round in order to narrow the gaps between their positions, and that they are actively producing bridging proposals. Those proposals have focused on the more controversial issues and have helped to bring the two positions closer together. Ultimately, the two sides must continue to demonstrate flexibility so as to accommodate each other's concerns, as no solution can be perfect for either side. At the same time, the process of negotiation should not be seen as a "zero-sum game", since both sides will gain in a united Cyprus.

21. My overall assessment is that the parties are making solid progress, and I am cautiously optimistic that a solution can be achieved. On the basis of what has been accomplished so far, the international community expects the talks to continue to make substantial progress in a timely fashion. The broad outline and established parameters of a solution are well known and already articulated by the two sides. There is a significant body of work upon which to draw, as there are already a number of joint papers that reflect their positions and that have served as the basis for discussions in the second phase. There is also a clear desire on the part of both sides to reach a settlement, as they have both asserted that the status quo is unacceptable. In addition, there is a general acknowledgement that the benefits of a solution for both sides would be huge, whereas the cost of failure could be high.

22. The negotiations are Cypriot-led, and the two sides have assumed responsibility for and ownership of the process. The pace at which the negotiations proceed will be determined by the two sides alone. I reaffirm the Organization's steadfast commitment to and support for the peace process under the leadership of my Special Adviser, and I stand ready to personally assist and facilitate the negotiations if requested to do so by the parties.

23. I urge both leaders to maintain their good personal and working relationship, which is vital for the success of the talks, and I urge other concerned parties to do their utmost to support them and the negotiation process. As the negotiations have moved into their second phase, the momentum needs to be maintained or even accelerated. The coming weeks and months will be decisive, as important decisions will have to be made. Given that the leaders of the two communities are committed to finding a solution to the Cyprus problem, this is a unique opportunity that must be seized by both sides. It is incumbent upon both leaders to meet the hopes and expectations of their people for a comprehensive and sustainable solution to the Cyprus problem within a reasonable time frame. And they should be accorded the political space to do so.

24. In conclusion, I wish to express my thanks to my Special Adviser, Mr. Alexander Downer, and to the men and women serving in my good offices

mission in Cyprus for the efficiency and commitment with which they have discharged the responsibilities entrusted to them by the Security Council.
