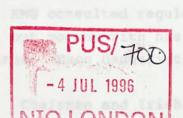
CONFIDENTIAL

From: A J Whysall

Constitutional and Political Division

Tel: (0171 210) 0234 Fax: (0171 210) 0229 Date: 4 July, 1996



PS/Secretary of State(L+B) PS/Sir John Wheeler(L,B+) -BPS/Michael Ancram(L,B+) -BPS/Malcolm Moss(L+B) PS/Baroness Denton(L+B) -B-BPS/PVS(L+B) -BPS/Sir David Fell -BMr Thomas Mr Bell -B-BMr Legge -BMr Leach(L+B) -BMr Steele -BMr Watkins -BMr Wood(L+B) -BMr Beeton -B Mr Currie -B Mr Hill -BMr Lavery -BMr Maccabe -BMr Perry -BMr Stephens -BMs Checksfield -BMiss Harrison(L+B) -BMs Mapstone -BMr Whysall(L+B) Ms Collins, Cab Off (via IPL) -B-BMr O'Mahony, TAU -BMr Lamont, RID -BHMA Dublin -BMr Westmacott, (via RID) -BMr Campbell-Bannerman -BMrs McNally(L+B)

File Note

TALKS PROGRESS REPORT, 3 JULY AFTERNOON/4 JULY MORNING

Discussion of HMG's amendments to rule 1 (status of Ground Rules) including general expressions of welcome by UUP, UKUP and DUP; but then further cavilling over detail.

2. A general suggestion of a need for bilateral contacts between parties to establish 'further trust' taken up; session adjourned.

CONFIDENTIAL

DUP (McCrea - Paisley and Robinson away) and UKUP asked for bilateral with Michael Ancram. McCartney made most of the running, seeking to perpetuate difficulties over Ground Rules and more generally, in what he described as a flawed process. Some signs that Michael Ancram's explanations of Government policy made an impact on others. McCrea complained of feeling his party was left out: HMG consulted regularly with the UUP, and the Irish with the SDLP, but no-one with his party. Michael Ancram offered him daily meetings. Much denunciation of loyalists.

- 4. Chairmen and Irish called late evening. SDLP and UUP said to be in contact and 'writing'; chairman had not recalled session, so as to avoid further debate on Ground Rules. Chairman had put round a note on scheduling, proposing meeting till the end of July, resuming 9 September. Loyalists and NIWC objected, seeking progress in August: provisional agreement to facilitate low-level activity in the building in August: see Mr Leach's note of yesterday.
- 5. Morning session, 4 June: no progress. Recriminations over SDLP refusal to hold meeting with DUP and UKUP. Main parties to see chairmen separately, resuming at 2.00 pm. UUP and SDLP to resume contact today. UKUP claim schedule is unrealistic: further comments sought by Chairman by 2.00 pm.

Signed

A J WHYSALL