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From: JOHN HOLMES

Date: 25 July 1996

PRIME MINISTER

NORTHERN IRELAND

Two quick points:

✓ JEH OK 29/7
[For Action on (i)]

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- (i) it is clear from my discussions with Paddy Teahon that your message to the Taoiseach was well received. We agreed that it might be helpful, not least in presentational terms, for you and the Taoiseach to speak briefly on the telephone before you both go on your summer holidays. There was not much of substance to discuss at your level, but you could note the progress that had been made in the last week, hope that the Apprentice Boys' march passes off peacefully, and look forward to substantive discussions in the autumn. The point would be to draw a line, privately and publicly, under the recent arguments and pave the way for business more or less as usual in the autumn. **Are you content to do this, for example on Monday morning before your cricket?**

OK

1/

- (ii) in the Belfast talks, discussions on the agenda have been continuing today, following agreement on the rules of procedure. The agenda itself does not seem to be a particular problem but behind it the familiar rock of decommissioning is looming once again. The UUP want the proposed sub-committee to be appointed

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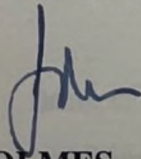
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straightaway and to work through August and September, with a view to at least an interim report by the middle of September. The three stranded talks would not be able to start until this report had been agreed and presented. Behind this lies the consistent UUP view that they need some solid progress on decommissioning to cover their backs before entering the substantive talks.

This does not cause particular difficulties for us, but it is seen by the Irish Government and the SDLP as effectively making decommissioning once more a pre-condition and giving the Unionists a veto on the start of talks, since they can block any report from the sub-committee. They are therefore digging their heels in.

This has the potential to be a real show-stopper, although the argument is still in its early stages. Trimble rang me today, partly to complain in the usual way about what he claimed was NIO duplicity, but also to make clear that decommissioning was a make or break issue for the UUP. He is seeing Paddy Mayhew early tomorrow morning. If there is no progress, he may ask for a meeting with you early next week. Nothing for you to do now but be aware that we may once more be approaching a crunch on decommissioning. The next step is likely to be a plenary on Monday, where the argument may surface in the open. The NIO will keep us in close touch.


JOHN HOLMES

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