From: THE PRIVATE SECRETARY



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Jen- John

TELEPHONE CONVERSATION WITH THE TAOISEACH

This letter offers our first, quick thoughts on yesterday's conversation between the Prime Minister and the Taoiseach, and the draft points to be drawn on by both Governments which Teahon sent today, asking for clearance by Sunday.

First, although this was a bounce it may have been as much a bounce by the Taoiseach against his own system as against us. There has been some evidence that the DFA were trying to dissuade the Taoiseach from this sort of approach. It seems very much the Taoiseach's own initiative. Nonetheless, in line with the Prime Minister's response over the phone, we think it can be adapted without too much difficulty to something which can serve our purposes as well as the Taoiseach's.

One element in the Taoiseach's thinking will be his desire to have something positive to say in the USA over St Patrick's Day. But his initiative also comes against the background of impatience and frustration amongst the rest of the talks participants (including Alliance and the loyalists) at unionists' apparent inability to reach any agreement.

On the Taoiseach's specific proposals, we thought the Prime Minister responded off the cuff along very much the right sort of lines.

We see no problem with officials being asked to look together at how the <u>decommissioning impasse</u> could be broken, in the light of the recommendations of the Mitchell Report. Both Governments have already been working closely on this and presented a number of joint proposals. Since this is the immediate impasse in the talks, it would be strange if we were not giving thought to how it could be broken. But we must be careful not to suggest that the two Governments, having suspended the talks, are now cooking up a solution on decommissioning to impose. There is, however, less sensitivity over the two Governments working together over decommissioning, because all the participants accept that both Governments have a central role to play in this. So, for these reasons, we do not see any great sensitivity in letting the fact of such discussions be known in public, <u>providing</u> it is clear they are directed to what will achieve agreement in the talks.

Of greater importance, however, is whether the Taoiseach has any particular ideas to suggest. In the final weeks of the talks, the Irish Government came forward with no new ideas of their own and made it clear that they were not prepared to consider any of ours unless we could say that unionists would support them. If the Taoiseach's approach signals a change to this attitude, then there may be genuine work to be done - so the first question to ask the Irish Government is whether they have any ideas to bring to such discussions.

As to proposals for a <u>timeframe or calendar for negotiations</u>, this is something we had ourselves begun to give thought to. The Taoiseach has already taken on board the crucial qualification — any timeframe cannot be imposed but is subject to the readiness of the participants to agree and work it. It is on this basis that we are already committed in public, by our <u>statement of 28 November</u>, to supporting any <u>indicative</u> timeframe agreed by the participants and, if it would be helpful, bringing forward proposals for one. So, again, it would not be a radical new departure to say we were working on such proposals — providing we also emphasised that <u>any proposals were for the participants to consider</u> and were not to be imposed.

The Taoiseach seems to envisage an Anglo-Irish summit as offering an opportunity to review progress in the talks after their resumption. There should be no difficulty in principle with a summit, although it is always best to keep timing and outcome flexible until nearer the time. We should avoid any suggestion that it would amount to an ultimatum to the other talks participants.

Of all the Taoiseach's suggestions, his desire to see <u>preparatory</u> thinking between officials on strand 3 is the most interesting and potentially the most sensitive. What lies behind this is that strand 3 is concerned with relations between the two Governments. Only the two Governments are therefore participants in this strand, although there are guaranteed consultation arrangements with the political parties. The attraction of strand 3, therefore, is that it is down to the two Governments to determine whether they want to do some preparatory thinking or not. Therefore it provides a way of signalling that the two Governments at least are trying to find a way to discuss substantive political issues, even if other participants are not.

Behind this suggestion lie at least two possibilities:

- (i) <u>East/West issues</u>: the Taoiseach has been keen on building up East/West issues, as an area of Anglo-Irish co-operation with which unionists are more comfortable. But he has never come forward with specific ideas. It may that he now has some ideas and preparatory strand 3 discussions would provide a suitable forum;
- (ii) reworking the framework document: in some Irish minds at least, preparatory strand 3 discussions might provide a basis for reworking the Framework document across all the strands as a means of giving a clear signal that the Governments would not allow the negotiations to be stuck forever without reaching discussion of substantive political issues in one way or another.

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Neither of these are options we would want to dismiss. But there are obvious unionist sensitivities in any appearance, at this stage, that we are somehow planning to leap-frog over decommissioning into strand 3. However, as the Prime Minister told the Taoiseach, preparatory discussions would be no more than prudent forward planning, providing it was clear (as the Taoiseach accepted) that strand 3 could not begin until the other strands were also launched.

But the usefulness of such discussions is likely to be in inverse proportion to the publicity given them. This proposal needs to be approached with some care therefore if unionist suspicions are not to be aroused.

In summary, therefore, we can be generally positive about the Taoiseach's proposals but need to be cautious about the suggestion on strand 3.

As regards what was said about a <u>ceasefire</u>, the Taoiseach will doubtless have noted the possibility that it might be easier for some signal to be given on a date if this emerged from a <u>follow-up round of questions</u>. The form of words suggested by the Irish Government for joint use is unexceptional and reflects the legal position - they have, however, reserved their own right to say that if there was an <u>early</u> ceasefire, followed by compliance with the requirements, there should be no reason for Sinn Fein not to be invited to participate on 3 June. This is close to the formula recommended to NI Committee by the Secretary of State. His view is that we cannot prevent the Irish Government deploying this formula and, if asked, would have to confirm that it was self-evidently a correct statement although dependent on a big 'if'.

I attach a revised version of the suggested points to make. These incorporate some important qualifications and amendments which we would need. Also we have tried to incorporate some positive points HMG wants from the Irish including;

- commitment to talks with or without Sinn Fein;
- a reference to the need for unionist consent (a recent theme of the Taoiseach's);
- a reference to achieving some decommissioning during negotiations (as opposed to simply considering this - a heresy advanced by some Irish interlocutors, but not the Taoiseach).

Finally, we have just seen Paddy Teahon's fax about Senator
Kennedy's speech. What Teahon says about the legal position over
Sinn Fein entry is broadly correct. But we should send a warning
shot to Teahon about the dangers of appearing to endorse the rest of
Kennedy's speech which is largely one-sided and particularly
unhelpful on decommissioning.

Yours ever Janul Vole On W K LINDSAY