FROM: PETER MAY

7 OCTOBER 1996

cc PS/Secretary of State (B&L) - B PS/Sir John Wheeler (B&L) - B PS/Michael Ancram (B&L) - B PS/Malcolm Moss (DHSS, DOE & L) - B PS/Baroness Denton(DED, DANI&L) - B PS/PUS (B&L) - B PS/Sir David Fell - B Mr Thomas - B Mr Bell - B Mr Legge - B Mr Steele - B Mr Watkins - B Mr Wood (B&L) - B Mr Beeton - B Mr Priestly - B Mr Hill (B&L) - B Mr Lavery - B Mr Maccabe - B Mr Perry - B Mr Stephens - B Ms Bharucha - B Ms Mapstone - B Mr Whysall (B&L) - B Ms Collins, Cab Off (via IPL) - B Mr Dickinson, TAU - B Mr Lamont, RID FCO - B HMA Dublin - B Mr Westmacott (via RID) - B Mr Campbell-Bannerman - B Mrs McNally (B&L) - B

NOTE FOR THE RECORD

TALKS: MONDAY 7 OCTOBER

Summary

- 1. A very quiet day with few of the leading players present and ultimately overshadowed by the HQNI bombing. The UUP second team were more positive about their desire to do a deal on decommissioning than hitherto, but it was unclear whether this was a further tactical ruse or a reflection of Empey's style in comparison with his leader.
- 2. The UUP/SDLP bilateral failed to make the breakthrough and although all sides were confident of doing a deal on the agenda, no way through or round the roadblock in opening plenary decommissioning debate had been identified.

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3. The discussion between talks participants and business leaders led by Sir George Quigley was very well attended (only the DUP and UKUP did not come).

Detail

- 4. The usual morning briefing meeting was interrupted by a call from No. 10 in which John Holmes reported that he had been speaking to Teahon who had put forward a number of proposals designed to ease Sinn Fein into talks after a ceasefire. The major one appeared to be that Sinn Fein could talk to Senator Mitchell in the interim period while they were meeting the necessary criteria. This and other ideas had not been fully thought through by the Irish, and might need to be discussed further bilaterally, preferably in the margins of a Liaison Group type meeting.
- 5. At 12.20 pm the UUP led by Reg Empey and Peter Weir came to see Michael Ancram and officials. Mr Empey reported they had had a bilateral with the SDLP last Wednesday about the agenda for the opening plenary, and were still considering what had been discussed. They intended to meet again that afternoon. Michael Ancram reported that the DUP had also met the SDLP on Wednesday and gave his view that there was not too much distance between the parties on the agenda, and that it might be possible to do a deal in the plenary tomorrow. Mr Empey said he would be surprised if words could not be found to bridge the gap. Mr Empey then said the UUP would prefer to avoid a plenary about decommissioning if a deal had not been done first, because otherwise there would be a free for all with convergence unlikely. Michael Ancram said that the evidence of bilateral and tri-lateral meetings had been that convergence was not likely in those fora. Mr Empey said again the UUP would prefer not to go into the debate cold, and were particularly keen to have some answers to the questions raised with the Secretary of State about the handling of Sinn Fein's entry into talks after any ceasefire.

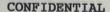
- 6. Mr Empey then asked how HMG envisaged the debate ending. Mr Thomas said that it was hard to see convergence being reached in the plenary, but suggested all sides put forward their position before an adjournment to reflect. Mr Empey said that the overall mood at present of doom and gloom was overplayed, just as the optimism engendered by the Taoiseach's comments a couple of weeks ago had similarly been off-beam. He said that he was sure HMG was considering exit strategies, but cautioned against them becoming central to Government thinking. Michael Ancram stressed the commitment from the Prime Minister down to give the talks process every opportunity to work.
- 7. Mr Thomas said that any journalist could see from the public positions set out by the parties that there was a gulf. How did Mr Empey see that gulf being bridged? Mr Empey said that the UUP were concerned that Sinn Fein would enter late and not show the commitment required, leaving the UUP out of line with Unionist opinion. It had been the reply from the two Governments which had precipitated the UUP taking a public position in order to avoid a loss of credibility on their part. The committee which was being proposed would not, in the UUP opinion, reach agreement. The Irish Government and SDLP would have a veto, and Sinn Fein could enter talks late and not have to decommission until the very end of the process. The UUP had worked out that Easter would be the earliest that decommissioning might take place on this scenario.
- 8. Mr Thomas noted that Governments could commit themselves at doing various things the UUP wished, but others required the agreement of the Irish participants. He asked what flexibility there was within the UUP position if the former were met. Mr Empey said the UUP paper was a shopping list for the two Governments, and advised that the issues be examined one at a time with a view to solving as many as possible. He stressed he was not saying the UUP were resiling from their document, but the issues should be addressed one at a time. Sight of the legislation had been useful, but the paper produced by the two Governments was essentially the

same as the 6 June one. Mr Weir, clearly stiffening his senior colleague's line, said their paper was both their public and private position. Michael Ancram noted that the paper put forward by the Governments had not been the same as that on 6 June, and reflected a number of changes designed to take account of UUP concerns.

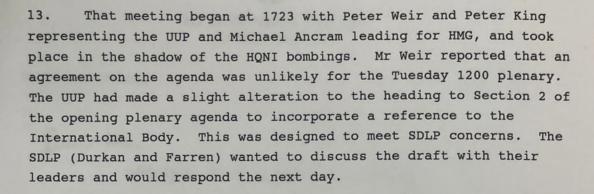
Mr Empey said the sub-committee proposal was incapable of meeting UUP requirements because of the potential veto. Failure to decommission would undermine the UUP. Michael Ancram said it would also undermine HMG. Mr Empey then offered a history lesson focusing on Faulkner's failure post-Sunningdale because the Unionist party had been pushed too far. Mr Weir said one of their concerns in the trilaterals had been the Irish Governments belief that any decommissioning scheme must have Sinn Fein approval. Mr Hill noted that both Governments agreed that the scheme could not be finalised until those decommissioning were involved.

- 9. Michael Ancram said that the key to the decommissioning issue was the extent to which the UUP were setting pre-conditions regarding the timing of decommissioning. That would not be acceptable to the Irish Government and to the SDLP. Mr Empey said that parallel decommissioning could be interpreted as meaning decommissioning on the last day of talks and given Sinn Fein's cynicism and recent events there must be some early test of their commitment to exclusively peaceful means, which the UUP suggested indicated an early deposit of arms. He indicated they were open to other options.
- 10. Mr Thomas said that the parallel decommissioning proposal from Mitchell was being interpreted by HMG as requiring a first instalment of decommissioning when progress had been made and confidence in the talks rose. Mr Weir stressed the importance of not linking political progress to decommissioning and argued that the ending of the ceasefire and other events since Mitchell required from Government a statement about the entry of Sinn Fein into the process after any ceasefire. Statements like 'unequivocal' and 'credible' needed to be fleshed out. Michael Ancram pointed out that the election had also happened since Mitchell and should not be forgotten.

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- 11. Mr Empey said that the Government also had pre-conditions, a ceasefire being the principal one. The terms of the legislation which called for an unequivocal restoration of a ceasefire which had not been credible in the first case did not help. Michael Ancram noted the importance of events on the ground. He then focused the debate by passing over a draft agenda for the opening plenary which had been prepared. Mr Empey asked that the detailed handling of that plenary be discussed separately with the Secretary of State, to which Michael Ancram agreed. Mr Thomas noted that opening statements were optional, and both Mr Empey and Mr Weir agreed the UUP had no desire to make opening statements but did not wish to preclude others from doing so (and believed the SDLP held a similar position). Commenting on the agenda, Mr Empey noted that HMG had made an effort to take UUP views into account and wished to discuss progress with the SDLP before offering a definitive view. The form of words was better than the original proposal. The draft agenda was formally handed back by the UUP, and Michael Ancram explained it had not been shown to others. Mr Empey specifically asked if the Irish had seen it, to which Michael Ancram responded they had not although they had seen an earlier version. Mr Empey noted that Mr O'hUiginn was in 'black death' mood and wondered if the Irish would sign up. Michael Ancram commented that the Irish Government would find it difficult not to sign up to anything to which the SDLP, UUP and DUP had agreed.
- 12. Just before the meeting concluded, Mr Empey said the complexity of the process was caused by the need to protect against possible events which may not take place (clearly referring to a possible Sinn Fein ceasefire). That was as difficult for the UUP as it was for the Government. The Government had spent much time discussing a decommissioning scheme with the Irish Government and had been through it line by line. They were probably on their 20th draft. For the UUP this was their first exposure to these negotiations, and allowances needed to be made. The meeting concluded at 1300 with an agreement to meet again after the UUP/SDLP bilateral.



- 14. Mr King said the SDLP were interested in an exit strategy from the plenary. Michael Ancram noted that provided the agenda provided for an exit strategy, it did not need to specify its content and would facilitate the next stage of discussion.
- 15. In response to a question, the UUP were confident that the change they had made would not lose the support of other Unionist parties. (At this stage a note saying the Irish had reported the form of words offered by the UUP to the SDLP would not do the trick, was passed to the Government side.)
- 16. The UUP said they would be available for further meetings on Tuesday. They asked again whether the HMG agenda had been canvassed with others and were told it had not. The meeting ended at 1732.

(Signed)

PETER MAY