Cust for Down Montgong altered)

From: John Holmes

Date: 17 November 1997

PRIME MINISTER

cc: Jonathan Powell

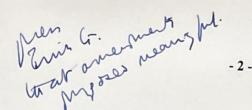
TRIMBLE

You saw some background papers earlier today, attached again. Since then, there have been more discussions between us and the Irish, and the Irish and Trimble, about the relationship between Strand 2 and Strand 3. The picture is reasonably encouraging: the Irish can contemplate the kind of ideas we have been putting forward on an East-West deal, as long as Trimble will do his stuff on a North-South body with executive powers. Trimble also had (apparently) a good meeting with the Irish Foreign Minister today. He was unrealistically insistent on the Irish delivering upfront on Articles 2 and 3, but suggested an overall deal could be possible if this could be sorted out. He is seeing Ahern on Thursday in London. This could be a crucial meeting.

Trimble will be looking for some sign that we have moved things on in substance since the Chequers meeting. I think you can paint a reasonable picture, based on your discussions with the SDLP and the Irish. You can ask in turn that he shows more engagement in the talks themselves (though he will simply blame others). You should also discuss how to bank the very broad agreement of principle now being reached, and feed them into the talks process. You could usefully ask Trimble to draft a paper, for your eyes only in the first place.

The key problem over the Strand 2/Strand 3 relationship remains the difference between Trimble's insistence that a North-South body must come <u>under</u> an East-West umbrella, and the Irish/SDLP refusal of this, although they can accept a

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broad East-West context. This ought to be soluble – the NIO suggest talking about the two <u>alongside</u> each other. The NIO are keen that you should give Trimble our paper on East-West structures (flagged behind) to show we have been thinking substantively about this. You could do so. It is quite a good paper from his point of view. But there is always a risk he will denounce us for having misunderstood his ideas, and watered them down unacceptably. My advice would be to wait to see how the meeting plays, and offer to send him the paper afterwards.

He is also bound to raise decommissioning, in advance of the review plenary in early December. He has not seen the Independent Commission's draft report. We have, and are trying to toughen it up, though it is not bad. Trimble will not be satisfied anyway - he will moan a lot, and exploit the issue as best he can. But his own private expectations are probably realistic.

Overall, the broad deal we have seen as possible over the last few weeks is beginning to take shape. We need to tell Trimble this, but stop him getting too offensive to the other parties (and the NIO), and engage him in the next steps. This is the main objective of the meeting.

You should also warn Trimble that you may meet Adams at some point in the next few weeks. Trimble will discount any talk of splits in the republican movement, and see this as a tactic to screw concessions out of us. The picture is more complex, as we know. He may also refer to a speech by Francie Molloy over the weekend, in which he said the republican movement could be forced to return to the ways it knew best. He may say this does not reflect commitment to exclusively peaceful means, and may be a breach of the Mitchell Principles. I

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suggest you listen and sound sympathetic. But it is not enough to get Sinn Fein thrown out.

I attach a speaking note, and the records of your Chequers meeting with Trimble and your last meeting with the SDLP.

JOHN HOLMES