

CONFIDENTIAL



10 DOWNING STREET
LONDON SW1A 2AA

File
FAXED

to NIO 8/1/98 @ 1105 PA
to Dublin & Washington
Via Com An

From the Principal Private Secretary

8 January 1998

Dear Ken,

NORTHERN IRELAND: HEADS OF AGREEMENT

I have now had brief read-outs from both Paddy Teahon and David Trimble of the UUP/Irish meeting yesterday. It was clearly a good deal more difficult than the last meeting, but not as bad as it might have been. The Irish took the UUP team through their paper. The UUP team reacted predictably negatively, both about the length of it and the substance. Unfortunately, Trimble had to leave the meeting after an hour, leaving Empey and others to take it forward, which did not help progress. But the upshot was that the Irish agreed to produce a shorter version of the Heads of Agreement, which may take it back towards our own draft. At the same time they will work on a longer version, which is not intended for public use, at least at this stage.

Paddy Teahon has promised to send me a copy of the shorter draft this morning, before it is sent to the UUP. They are hoping to discuss it with Geoffrey Donaldson, who is in Dublin later today. I will let you have a copy when it appears, but we may need to comment on it very quickly.

Trimble also told me that he has not yet been able to fix a meeting with Hume but hopes to do so today. He is seeing McMichael and Ervine later this morning, and said that he believed he was making good progress with both, although this would be undermined if the Irish continued to try to turn our draft into something too green.

The Prime Minister spoke briefly to the Taoiseach this morning. Ahern confirmed the above account. He said he thought the new Irish version would be close to our original draft, although his officials (Teahon and Mansergh) were saying that there were important differences. The main differences he saw were in the North/South passage, and on justice and prisoners. He thought there was a chance that Trimble would be able to agree the shorter version, but in any case we would have a chance to look at it in advance.

CONFIDENTIAL

CONFIDENTIAL

- 2 -

The Prime Minister said that he remained very determined to have something tabled on Monday, if possible by the two governments, the UUP and SDLP. By far the biggest confidence-building measure would be practical progress in the talks. We were likely to be able to accept anything Trimble could live with.

Ahern said that some of the changes the UUP wanted, eg replacement of Anglo-Irish by British-Irish and changing wording about prisoners, were not big problems for him. The North/South passage was by far the most important and he was happy to keep the document short as long as there was a second longer document lying behind it. He agreed tabling something on behalf of the four parties would be good, though he hoped others could be brought along too.

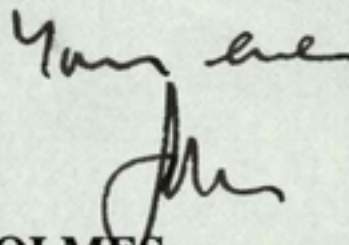
Ahern raised the question of a joint statement. The Prime Minister said that he had not looked at this in detail, but he was not against some kind of statement if this would help, although he thought that the Heads of Agreement exercise was the most important.

Ahern also raised Bloody Sunday. The Irish had heard we might make a statement next week. Though they had been pressing for a statement, they thought saying anything next week would be a mistake in present circumstances, given Loyalist and Unionist sensitivities. The Prime Minister said that we would not be saying anything next week, not least for these reasons.

Comment

Ahern's account of the shorter paper is unlikely to square with what we get from the Irish this morning. I fear a fierce drafting struggle lies ahead. This is inevitable and necessary, but the trick will be to keep the UUP engaged and stop them walking away.

I am copying this letter to John Grant (Foreign and Commonwealth Office), Jan Polley (Cabinet Office), Christopher Meyer (Washington) and Veronica Sutherland (Dublin) by fax.



JOHN HOLMES

Ken Lindsay Esq
Northern Ireland Office

CONFIDENTIAL