## CONFIDENTIAL

From: Jonathan Powell Date: 10 January 1998

cc: Mo Mowlam

JOHN HOLMES

## **HEADS OF AGREEMENT**

I attach the square bracketed text Paddy Teahon and I ended up with tonight (A). I said the Prime Minister would talk it through with David Trimble tomorrow morning and then we would go back to the Irish (I have <u>not</u> sent this text to Trimble).

I also attach the text the Irish sent me earlier this evening (B). As you can see, we have managed to get rid of quite a lot of the worse additions and the Irish have agreed to a certain amount of Trimble's language. In talking to Teahon, I have kept closely in touch with Mo and with Quentin Thomas on the textual details.

The following points will help the Prime Minister in going through the text with Trimble:

- paragraph 1: the Irish say Section 75 of the Government of Ireland Act should not be a problem for Trimble. It is in the Joint Declaration and elsewhere. If Articles 2 and 3 are to be mentioned, it must be mentioned too.
   I doubt this is a major problem for Trimble;
- paragraph 2: the Irish have agreed ad referendum to our suggestion of new language to meet David Trimble's point;

- first tiret: the Irish say they cannot agree to "of these islands" after today's publicity. They probably could have before. However, it is now a sticking point;
- second tiret: they cannot agree to "for cooperation". I suspect this is a major point for them. They have agreed to Council (singular) as Trimble wanted.
- third tiret and end of second tiret: this is the central point for the Irish.

  Teahon says they must have the word executive, although they could agree to bodies or some other word than agencies. And it must be a separate tiret for them. Quentin believes Trimble should be able to accept this at the end of the day, since he has indicated to the Prime Minister in conversation that he can live with such agencies. Teahon emphasised they could not agree to our proposal to combine "as agreed" with the establishment of executive agencies;
- penultimate paragraph: Teahon and I have introduced a few minor changes
   here. In Quentin's view, Trimble should be able to accept the reference to a
   Bill of Rights;
- <u>last paragraph</u>: the Irish have dropped their long and totally unacceptable –
   list of measures, but insist on a reference to "reform of policing".

I will listen in to the Prime Minister's conversation with Trimble and then we can discuss where we go next.

JONATHAN POWELL