

From: Jonathan Powell  
Date: 12 January 1998

JOHN HOLMES

FAKED 12/12/98

VIA COM 19.

**PRIME MINISTER'S PRESS CONFERENCE: NORTHERN IRELAND**

I attach the joint statement and Heads of Agreement issues today by Mo Mowlam and David Andrews.

So far it has gone better than we had expected. None of the parties have rejected the Heads of Agreement out of hand. John Hume has described them as a welcome beginning. Trimble has said that there are bits that they do not like and bits that they do. It is important to move forward. The Alliance have welcomed it as pain and gain for some parties but all gain for them. The UDP and PUP have been muted. Gerry Adams had to leave to be with his family relating to the death.

In the talks they have agreed to meet in plenary at 2.00 tomorrow afternoon to start discussing the way forward. Mo and the NIO are cautiously optimistic that we may make progress.

The message the Prime Minister needs to get across is that this is an important step forward. It is a balanced document representing the two Governments' best guess of what all sides might be able to live with. It should be looked at as a whole. And we hope this will enable the talks to move forward towards an agreement to be put to a referendum by the deadline in May.



The dangers to watch out for are over-hyping it as a breakthrough. Trimble and others have publicly said that this should not be done: it is not a breakthrough. Trimble has also - irritatingly - said that the Framework Document is dead and cannot be accepted by the two Governments or other parties.

We will arrange for the transcripts of press conferences to be sent to you in Tokyo. I expect the press will have moved on to something else by the time of your press conference anyway, eg the caution for William Straw in his drugs case.

Anne Stenson  
PP JONATHAN POWELL