FROM: TED HALLET FCO

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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 Steele - B Mr Bell - B Mr Leach - B Mr Watkins - B Mr Stephens - 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 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: TUESDAY 10 DECEMBER 1996

SUMMARY Dalla and measures by the proposed sub-committee

The day's business consisted of a short plenary session and bilaterals with the UUP, the Women's Coalition, the Irish Government, and the SDLP.

At the plenary session Chairman Holkeri, as previously agreed with the two Governments, proposed an immediate adjournment to allow more time for bilaterals with a view to reaching agreement on decommissioning before the Christmas break. This was generally agreed, but Mr Taylor, for the UUP, took everyone, including his own CONFIDENTIAL

delegation, by surprise by proposing that the talks adjourn this week in view of the pressure of Westminster business next week and the impossibility of reaching agreement on decommissioning. After a short discussion, the Chairman ruled that the talks should continue next week and adjourned the plenary to Monday 16 December at 12.00 noon.

In their bilateral, the UUP reported positively on their discussions with the SDLP. Agreement was close on the mechanics of handling decommissioning except for the key issue of confidence building measures. In the light of Mr Taylor's intervention in the plenary session, the Secretary of State probed UUP willingness to seek agreement before the Christmas break.

The Women's Coalition met Michael Ancram at their request to express concern at the British Government's statement on the terms of entry for Sinn Fein. Michael Ancram defended the British Government's position robustly, but there was no meeting of minds.

The Irish Government expressed concern at the UUP's negotiating tactics. Michael Ancram assured them that the UUP were genuinely seeking agreement on decommissioning and wanted the talks process to continue. Mr O'hUiginn's evident pessimism about the prospects for political progress appeared not to be shared by Minister Coveney.

The SDLP reported positively on their discussions with the UUP and confirmed that the main outstanding issue was the handling of confidence building measures by the proposed sub-committee. Their intention was to prepare a short paper by the end of 11 December for submission to the Independent Chairmen, identifying the progress made and the areas of remaining disagreement. This might provide the basis for the Chairmen's proposals on decommissioning next week.

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DETAIL

The Independent Chairmen, Holkeri and de Chastelain met the two Government delegations at 11.50 am. Holkeri said that their meetings with the parties had confirmed that there was still some way to go before agreement could be reached on decommissioning. The two key issues were the timing of the establishment of the Independent Commission and the handling of confidence-building measures. He proposed to adjourn the plenary until next Monday to allow time for further bilaterals.

PLENARY SESSION

The plenary session began at 12.10 pm. <u>Chairman Holkeri</u> first sought approval for the minutes of 2 and 3 December. This was agreed without discussion.

Holkeri then reported on the Independent Chairmen's bilaterals. All parties had agreed that it would be helpful for the Chairmen to table proposals with a view to resolving the decommissioning issue before the Christmas break. Their soundings had not yet produced a formula likely to find consensus. He proposed to adjourn the plenary session until Monday 16 December at 12.00 noon to allow for further bilaterals.

Mr Taylor, for the UUP, was "non-plussed" by this proposal. There was little prospect of agreement by the end of next week. In addition, there was critical business in the Westminster Parliament which would entail the absence of key participants. He therefore proposed that the talks should be adjourned this week, with no meetings next week. (This proposal took everyone, including other members of the UUP delegation, by surprise.)

Mr Mallon agreed with the Chairman's proposal. It was understood that whoever spoke at plenary sessions had the full power to represent their parties and to take decisions. The absence of CONFIDENTIAL

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some participants should not be an excuse for not meeting next week. The aim should be to reach agreement on the mechanisms for handling decommissioning by the end of next week, to enable the move to substantive negotiations after the Christmas break.

Mr McCartney argued for a "determination" on decommissioning before the Christmas break. Discussions should be continued next week. He agreed with Mr Mallon on representation at plenary sessions. A determination on decommissioning was necessary so that all were clear on the terms of entry for Sinn Fein. If the British Government invited Sinn Fein in without the declaration of a "complete and permanent" ceasefire and without the delivery of a first tranche of weapons, the UKUP would not remain in the talks. He expressed concern at the constant adjournment of plenary sessions to allow for bilaterals. His party was not involved in these and wondered if they were being deliberately kept in the dark.

Lord Alderdice said that it was crucial to reach a determination on decommissioning before Christmas. All parties should take their responsibilities in seeking to achieve this. He supported the adjournment of the plenary session until next week.

Mr McCrea, for the DUP, agreed on the need to reach a determination on decommissioning and endorsed Mr Mallon's point about representation.

Mr Taylor reiterated his opposition to meeting next week and confirmed, in reply Mr Mallon, that he was speaking for the UUP as whole.

After further discussion, <u>Chairman Holkeri</u> ruled that the talks would continue next week and adjourned the plenary session to 12.00 noon on Monday 16 December.

UUP MEETING of progress was being hade, except on the handling of

The Secretary of State met a UUP delegation (Taylor, Maginnis, CONFIDENTIAL

Donaldson and King) at 14.25. He said that it was in everybody's interests to try to resolve the decommissioning issue before the Christmas break. Mr Taylor agreed, but said it was important not to rush things. The Secretary of State asked whether it would be possible to base agreement on the British paper, taking account of Mr Maginnis's comments. This led to an imprecise discussion, in which it was not clear how far Mr Maginnis's comments were known to his colleagues.

Mr Maginnis asked whether the British delegation could confirm an intention to establish the Commission around 15 January and whether a Chairman had been identified. He saw advantage in keeping the composition "in-house" perhaps by Senator Mitchell chairing the sub-Committee and General de Chastelain the Commission. The Secretary of State replied that that was the obvious choice, but the Commission could not be put in place until agreement had been reached on its terms of reference. Mr Maginnis said that he had prepared a paper on the terms of reference and undertook to pass it to the British side.

The Secretary of State said that there was now a relatively congenial climate for progress on this issue. The Irish had promised to pass their legislation by Christmas. The British Bill was now before Parliament. The terms of Sinn Fein's entry into the process had been clarified. He was therefore disappointed by Mr Taylor's suggestion that the talks should not continue next week. Mr Taylor replied that there had been insufficient progress in closing the gap between the SDLP and the UUP and it was unlikely that this matter could be resolved next week. The Secretary of State countered that there was considerable convergence between the British Government and the UUP. There was advantage in trying to bring the SDLP on board.

Mr Maginnis said that papers had been exchanged between the SDLP and the UUP. Good progress was being made, except on the handling of confidence-building measures in the sub-Committee. The SDLP wanted

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this, but the UUP saw a jurisdictional problem in that it gave the Irish Government a locus to discuss internal Northern Ireland matters.

Mr Maginnis then turned to the question of how a ceasefire would be judged. Mr King interjected that Mr Mallon had suggested that this would be a "political decision". The Secretary of State replied that he did not agree with Mr Mallon. He would make judgement about the credibility of a ceasefire on the basis of all the information available to him.

Reverting to the decommissioning issue, the Secretary of State reiterated that it was in everyone's interest to settle the matter before the Christmas break. Mr Taylor replied that the UUP would like the question resolved and would do their best, but he was pessimistic about the prospects and was concerned that some were trying to rush the issue.

Attempting to move the question to specifics, <u>Michael Ancram</u> said that there were two key issues: when was the Commission established and what did it do. He hoped agreement could be reached on the basis of the British paper, as amended by Mr Maginnis. <u>Mr Maginnis</u> undertook to look at the papers again to see whether this was possible. He suspected that the only issue which would prove intractable was the Commission offering a judgement on when decommissioning should start. It was agreed that a team from the UUP would meet British officials to go through the paper and the UUP comments in detail. (Now fixed for 11 December.)

Michael Ancram said that the inchoate Commission should be set up immediately after the plenary had been concluded and thus at the same time as the three-stranded discussions commenced. The SDLP might be persuaded to accept that.

Mr Hill asked for the UUP's views on the Independent Chairmen's initial ideas for a possible solution. Mr Maginnis professed to have little knowledge of them and did not commit himself, beyond indicating that the suggestion of the Commission going into "abeyance" after an initial report was not likely to be acceptable. The Secretary of State concluded by asking the UUP to keep him informed of their progress with the SDLP.

WOMEN'S COALITION

Michael Ancram met a delegation from the Women's Coalition led by Ms McWilliams and Ms Hinds, at their request, at 15.20. They explained that they had sought a meeting with the Prime Minister to express their serious concern at the British Government's position on the terms of entry for Sinn Fein. It had not yet proved possible to arrange this. In their view, all parties should be accepted into the process without pre-conditions. The legislation was clear. Sinn Fein should be allowed in on the basis of an unequivocal restoration of the ceasefire, subject to "absolute confirmation" that it was genuine. Michael Ancram asked how "absolute confirmation" could be obtained.

The Women's Coalition replied that they were open to a range of suggestions. There was great concern in the nationalist community about the apparently open-ended timing envisaged in the British Government's statement.

Michael Ancram said that both Governments insisted on an unequivocal restoration of the ceasefire and compliance with paragraph 8 of the Ground Rules. The question was how to judge "unequivocal". The Government did not think it right to define specific time periods and had decided instead to set out detailed criteria, none of which involved "surrender", intended to establish that actions were consistent with words. The extent to which these criteria were met would determine how long the process of Sinn Fein's entry took.

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The Women's Coalition asserted that these criteria were widely seen in the nationalist community as raising additional hurdles and as designed to put off Sinn Fein's entry indefinitely. Michael Ancram rejected this robustly, but it was clear, following further circular discussion, that there was no meeting of minds on this point.

The Women's Coalition said that Sinn Fein feared a protracted process. The Christmas break had seemed to provide an opportunity but the British statement left the period of assessment open-ended. What pressure was the Government putting on Unionists to talk to Sinn Fein? Michael Ancram replied that Mr Trimble had said in the United States that he would talk to Sinn Fein in the event of a genuine ceasefire, but he was worried about instant entry after a merely tactical ceasefire. The British statement was intended to make things clear. The Irish Government's position was broadly the same, on substance, though there were differences of emphasis. The Women's Coalition reiterated the need for greater clarity on the timing of Sinn Fein's entry after a ceasefire. Michael Ancram concluded that Sinn Fein/IRA should call the British Government's bluff by declaring a ceasefire.

IRISH GOVERNMENT

The British and Irish delegations held a brief review of the state of play at 16.15. Mr Coveney expressed concern as to whether the UUP were negotiating seriously. It was difficult to believe that they were, particularly in the light of Mr Taylor's suggestion that there should be no meetings next week. Michael Ancram replied that the UUP appeared to want to complete the decommissioning issue before the Christmas break. Much would depend on progress today and tomorrow with the SDLP.

Mr Coveney announced that the Irish Decommissioning Bill would be published on 11 December and would commence its second stage debate next week. The Committee stage could take place during the recess. The process could be completed by early February. Michael Ancram replied that the British legislation would follow a similar timetable.

Mr Hill said that we had pressed the UUP hard on resolving decommissioning before Christmas. Mr Taylor had appeared to agree.

Mr Coveney said that many of the crunch issues on decommissioning had been skirted in the UUP/SDLP discussions. Michael Ancram said that the UUP knew that the British Government had moved away from prior decommissioning. Mr Trimble would have to decide whether to give his delegates power to negotiate effectively. Mr O'hUiginn interjected that the Irish Government would accept no "half-way house" between prior decommissioning and the Mitchell proposals. (Since no-one had suggested this, it was not clear to whom his remarks were directed.)

<u>Mr Coveney</u> suggested that it was unlikely that there would be agreement next week. It was therefore necessary to consider how to adjourn the talks in a constructive way. <u>Michael Ancram</u> suggested that we should wait to see what Senator Mitchell came up with at the beginning of next week.

Mr Coveney argued that, while the UUP appeared to want the talks to continue, they were ensuring that they made no progress and seemed to have decided that they could not compromise on decommissioning before the next election. Michael Ancram replied that Mr Trimble had appeared to adopt a reasonable position in Washington. We would have to see if that was maintained. Mr Stephens asked whether the Irish would go along with the British Government's proposals on decommissioning if the UUP accepted them. Without committing himself on this point, Mr O'hUiginn gave vent to his evident pessimism by asserting that he had never been involved in "a process so hollow", with such little direction at the centre. The Unionists were merely playing games. The House of Commons debate on decommissioning had been "surreal".

Mr Coveney, somewhat embarrassed by this, brought the meeting to a close by suggesting that we should see what the SDLP and UUP could come up with in their bilaterals.

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SDLP

Michael Ancram met Mr Farren and Mr Durkan at 17.15. Mr Farren said that good progress was being made with the UUP and they would meet again the next day. They would then prepare a short note setting out areas of agreement and disagreement, which might provide the basis for the Chairman's intervention. They undertook to pass copies to the two Governments. There was a reasonably high level of understanding on the setting-up of a sub-Committee and on the role of the Independent Commission, but the SDLP were frustrated by the lack of cohesion in the UUP. They fielded different teams for different meetings and did not appear to communicate with each other in between. The main substantive obstacle was the handling of confidence-building measures related to decommissioning. The SDLP wanted these to be aired in the sub-Committee. The UUP argued, however, that many of them were internal Northern Ireland matters, on which the Irish Government had no locus. Apart from this issue, there were no major problems on the mechanisms for handling decommissioning. The paper to be put to the Chairman was "80% agreed". They had not, however, discussed the timing of the establishment of the Commission. In the SDLP view, it should be established on the commencement of discussion in the three strands.

Michael Ancram said that the key was to resolve the decommissioning issue before the Christmas break. The UUP had said that they wanted to do this. We should not give Mr McCartney a chance to bring the matter to a head on the wrong basis.

Mr Stephens asked whether the Irish Government would be supportive of the approach envisaged in the SDLP/UUP note. Mr Farren thought they would.

(Signed)

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