



NORTHERN IRELAND OFFICE
WHITEHALL
LONDON SW1A 2AZ

18 November 1996.

John Holmes Esq
Private Secretary to the Prime Minister
10 Downing Street
LONDON

Dear John,

LOYALIST PARTIES' MEETING WITH THE PRIME MINISTER, 20 NOVEMBER

The Prime Minister is seeing a delegation from the two Loyalist parties in the Northern Ireland talks on Wednesday at 2.45 pm - the Progressive Unionist Party and the Ulster Democratic Party; these have links respectively to the Ulster Volunteer Force and the Ulster Defence Association. The delegation is composed of David Ervine and William "Plum" Smith from the PUP; and Gary McMichael and John White from the UDP. All were at the Prime Minister's first meeting with loyalists on 22 July, except "Plum" Smith: the presence of Mr White, with his double murder conviction, excited some comment on that occasion, as you will recall. Sir Patrick Mayhew will also be present.

The loyalist parties remain essentially constructive participants in the talks. They are anxious to get over the decommissioning hurdle, and into substance. They are scathing about the unwillingness of the UUP leadership to face up to what they see as the realities of the decommissioning question, a failure they ascribe to fear of the DUP and Mr McCartney's UK Unionists.



They remain under attack from the DUP, and UKUP. (The UUP acknowledge the importance of keeping them in the Talks). The DUP sought to have them excluded from the Talks in the summer, for "demonstrably dishonouring" the Mitchell principles; there are also suggestions, which worry the loyalists, that they should be obliged to bring about the handing over of some loyalist weaponry in advance of substantive negotiations, by way of setting a precedent for Sinn Fein. They - understandably - regard such unilateral decommissioning as quite undeliverable. They do not, indeed, see decommissioning being deliverable at all either on the Republican side, or their side, for the present: greater confidence would need to be built. They have made clear, however, that they are at ease with the concept of mutual decommissioning, Loyalist violence having been essentially reactive; and have said they are willing to be "facilitators", at an appropriate point.

The issues the parties are likely to raise are similar to those which arose in the course of the Prime Minister's first meeting on 22 July, recorded in your letter of the following day. A key issue is that of prison regimes. As you will see at Annex A, we have concluded that certain limited developments, which will be welcome to the Loyalists, would be justified, and the Prime Minister can announce these to the delegation. This includes background on the loyalists own (very ambitious) demands. The Secretary of State has already indicated in broad terms to the parties that some limited movement will be offered on prisoners (and so the meeting might lead off on it).

Our principal objective in agreeing to the meeting (and no doubt the parties' in requesting it) is to bolster the Loyalist ceasefire. The ceasefire has remained in force, despite the return of IRA violence to Northern Ireland at Thiepval Barracks. Punishment attacks continue (28 in the last six weeks, including shootings), internal feuding in the UVF has led to a fatal shooting, and there have been hoax bombs in the Republic.



There remain strong pressures within both paramilitary groups for a resumption of violence: certainly any significant further IRA terrorism would imperil it gravely, as would collapse or other significant setbacks to the Talks process.

The holding of the meeting ought itself to strengthen those who seek to maintain the ceasefire; and the announcement of developments on prisons should contribute further. On the other issues the Loyalists propose to raise (consent, Articles 2 and 3, position in Negotiations, possible entry of Sinn Fein, security policy - see Annex B) they will not expect significant developments; the Prime Minister can, however, firmly reiterate existing policy. The terms in which the press is briefed after the meeting will be important.

I attach personality notes on the delegation at Annex C and also a draft press line at Annex D: we shall announce the detail of the changes, once the meeting has concluded.

Finally, a decision has been taken to provide protection at the homes of some leading members of both parties. A note on that is at Annex E for use in the unlikely event of it being raised.

Yours ever,

Ken

W K LINDSAY