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From: John Holmes
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cc: Jonathan Powell
Philip Barton

Alastair Campbell

PRIME MINISTER

SINN FEIN

The basic problem remains much as when you left for the theatre. Paddy Teahon maintains that the Taoiseach is adamant on setting a definitive date. He can be pushed to 9 March, but not beyond. I have said that a definitive date, even 9 March, will be extremely difficult for us here, in terms of opinion of all kinds, and may well lead to a Unionist walk out. I have suggested instead setting no date now, but making clear that one will be set shortly; or using a broad formula such as "in March" or "by mid-March". Teahon has said that these will simply not run with the Taoiseach. He adds that, since you yourself mentioned 9 March, it would have no credibility if you backed away now.

We have meanwhile been working on the rest of the text of the draft indictment. I attach a version we received from the Irish earlier this evening. The key is paragraph 22 – the last paragraph. We have tidied up the rest, and made some improvements on the text attached.

I thought it might help if I toughened up the language of paragraph 22, and in particular added a section at the end making clear that any return to violence would effectively mean the end of participation by Sinn Fein in the talks. I attach the result. I have left the crucial sentence about timing of Sinn Fein's return in

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square brackets. I sent this to Paddy Teahon tonight, in case it was useful for your discussion with Ahern tomorrow morning (at 0830).

The point of toughening up this language is to make it easier to accept a definitive date, if that is what, in the end, you judge we have to do. You will see that I have also softened the way in which a date is mentioned. The Irish language says "it is the intention of the Governments that Sinn Fein's return should take place by? March 1998". I have suggested a formulation more like "they can envisage that Sinn Fein's return to the talks could take place …".

As you know, Mo and David Andrews are planning to meet Sinn Fein at 1000 tomorrow morning to tell them what the two Governments intend to do. There is therefore not much time to agree a final line with the Taoiseach. A further postponement would not be helpful, although the meeting with Sinn Fein could no doubt slip a bit if necessary.

A further factor is the body found in a farmhouse earlier today. The circumstances remain unclear. The victim was a Catholic abducted from a Catholic estate. It is pretty clear that this was not the work of Loyalists – the LVF have denied it. There is therefore a suspicion that it might be an IRA (or INLA) murder of an informer, but Paddy Teahon told me this evening that, according to his latest information, the victim was in fact a well-known criminal and that the motives may therefore also be criminal. In any case, it is still a useful extra argument to use with the Taoiseach for vagueness about dates. It would be more difficult otherwise to deal with the position if the IRA <u>are</u> proved to have been responsible.

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The crucial question remains whether you should agree to a definitive date, or hold fast to a vaguer formula. A vague formula would be much better, but I am not sure it is attainable at this stage, unless the Taoiseach proves unexpectedly helpful when you speak to him, or you simply say that, despite having mentioned 9 March, you are now clear that you cannot live with setting such an early definitive date. Another alternative would be to say OK to a definitive date, but push the Taoiseach to 11/12 March, or even 16 March (still before St. Patrick's Day, and only three weeks away).

Short of this, I have worked up various formulae you could draw on - see the attached sheet. There are of course other variations. The only ones that strike me as at all likely to run are the first or the last.

I will rack my brains further tonight but do not expect miracles.

JOHN HOLMES