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FROM: JONATHAN STEPHENS
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PS/Secretary of State (L&B)

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Below

LIAISON GROUP AND NEXT STEPS

Issue:

Positive brainstorming with the Irish side. An emerging shared core of ideas, focusing on an IRA sign of commitment to decommissioning, agreement on modalities, a positive de Chastelain statement leading to the formation of the Shadow Executive. Irish side keen to work up shared approach and try out with other parties when everyone is back from the US in mid-October.

Recommendations:

- (i) We should give the Irish side the attached paper, which revises the key decommissioning section of the Irish proposals into a form more likely to do the trick with Trimble.
- (ii) This approach to be discussed with the de Chastelain when the Prime Minister sees him (separate briefing coming from Mr Leach).
- (iii) Trimble should be pressed further to allow progress on North South issues in the meantime - by Paul Murphy on Saturday, if necessary, by the Prime Minister later in the weekend.

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- (iv) We should aim to agree a realistic shared approach with the Irish to try out on the parties in mid-October with the aim of resolving the issue around the end of the month.

Liaison Group with the Irish side

A more detailed note will follow, but the highlights included:

- the Irish side revealed that Adams had been shown their proposals. He had not rejected them and had said it would be helpful if he knew whether Trimble could accept them;
- We left no room for doubt that in our assessment Trimble could not accept them as they stood. We emphasised that, as a minimum, Trimble required:
 - a clear sign of commitment to the principle of decommissioning from the IRA, in order to lift their "never";
 - agreement on modalities;
 - a firm indication of timescale.
- The Irish side (pushed along by Mansergh) were surprisingly ready to see the need for an IRA (not just Sinn Fein) sign of commitment to decommissioning. There was no dispute over the need for agreement on modalities.

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- The Irish side were nervous on timescale. They recognised the need for something and are clearly thinking of the New Year for a start to decommissioning. They think it will be better expressed in terms of linkage with other political developments rather than calendar time. They can see some attractions in our suggestion that de Chastelain might surface a timescale in his statement, providing it was carefully precooked.
- Both sides agreed that any package must lead directly and immediately to the formation of the Executive and the North/South Ministerial Council, with no room for doubt that there might be further obstacles placed in the way.
- Both sides agreed on continuing progress on other issues in the meantime. The Irish side welcomed normalisation measures and encouraged early publication of the normalisation strategy. They said that Mallon reported that Trimble had not responded positively to the idea of informal progress on North South issues.
- We agreed it was unlikely the central issue would now be resolved before the end of October. The Irish side were keen to work up a shared approach to put to the parties when the key players returned from the US in mid-October. We offered to respond to the Irish paper with revisions of our own but emphasising that the key test was not what the Governments could agree but what the parties would accept.

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Next Steps

(i) Paper for the Irish

2. I attach a revision of the key section of the Irish paper, encapsulating the ideas we explored yesterday. If Ministers agree, we should put the paper back to the Irish side quickly and look for a further discussion, possibly next week.

3. The attached revision incorporates:

- an IRA statement indicating their readiness to play their part in implementing all aspects of the Agreement, designed to lift the impact of their previous "never" statements;
- agreement on modalities;
- on timescale, it deliberately incorporates two options: Sinn Fein offering a timescale linked to political developments, or de Chastelain coming forward with a suggested timescale on his own authority (but precooked) which no-one disputes;
- stronger indications from Trimble that, on foot of this, the Shadow Executive will be formed and progress made towards the real Executive.

4. We should not get caught up in a long textual negotiation with the Irish side: what matters is what Trimble and Adams can agree. But the

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Irish side have so far shown flexibility and openness: if we can agree the broad outlines of a shared approach that we both believe is realistic, then it will be much more influential. It would also help recruit the Americans to put on pressure in support. (There is also evidence that Sinn Fein are genuinely confused as to what is being asked of them, because they are getting so many ideas from different sources.)

5. We must also be careful to set up "reality checks" with Trimble. For now, if Ministers are content that we show the attached paper to the Irish side, I suggest we don't show it to Trimble but do talk him through the main points before he goes to the US. This would be best done by No 10: I propose to discuss this with John Holmes.

(ii) de Chastelain

6. The Prime Minister's meeting with de Chastelain will be a good opportunity to explore these ideas further. (Mr Leach is putting forward a separate, but co-ordinated, brief).

7. A statement from de Chastelain is clearly a powerful card to play at the right time but it needs to be carefully precooked. De Chastelain's credibility would not survive an attempt to bounce the paramilitaries. Whether the Commission has the ability and credibility to negotiate itself an overall package with all sides is questionable.

(iii) Progress on other issues

8. In the meantime, we want to keep up as much progress on other issues as possible. In particular:

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- progress towards agreement on departmental structures. The UUP and the SDLP are said to be making good progress but are not involving the other parties, which is unhelpful. Paul Murphy might press Trimble and Mallon to have a further round of consultations with the other parties on their return from the US;
- progress on North/South issues, which is currently poor. Despite originally being a Unionist proposal (endorsed for example, by Donaldson) Mallon says that Trimble is now blocking possibility of a preliminary informal North/South meeting involving the Irish Government, Trimble and Mallon, and at least the other main parties on the Assembly. We should check this out and, if necessary, press Trimble to be more positive, noting that it fits in with his own rhetoric of working towards early meetings of the North/South Council.

9. If we can, we should try and unblock North South issues before Trimble and Mallon leave the US - so I suggest Paul Murphy explores the issue with Trimble on Saturday and, if necessary, this may be worth a phone call from No 10.

(iv) Looking ahead

10. The broad plan for the next few weeks might look like this:

- we keep up progress on a range of issues; normalisation, North/South if we can etc;
- we work up a shared approach with the Irish side, de Chastelain etc over the next couple of weeks;

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- by mid-October when the key players are back from the US, we should be ready to try this out on both Trimble and Adams. The Prime Minister and the Taoiseach will need to be involved;
- with the UUP Conference and Executive meeting on successive weekends at the end of October, we should be looking realistically for a quick resolution after then.

[Signed: JAS]

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POSSIBLE REPLACEMENT OF SECTION HEADED 'DECOMMISSIONING'

Decommissioning

To ensure that the decommissioning issue is addressed in a manner which is sensitive to the concerns of all sides, the two Governments will promote with the key parties the approach set out below.

Sinn Féin

Issue statement in which they would:

- restate their commitment to play their part in the implementation of all elements of the Agreement, including the actual decommissioning of all paramilitary arms by May 2000;
- announce that McGuinness has put forward proposals on the modalities of decommissioning which they believe are acceptable to the IRA and meet the Commission's requirements; and
- recognise the need for visible progress in implementing all aspects of the Agreement, offering their analysis that the prospect of the entry into force of the new British-Irish Agreement and the transfer of powers to the new institutions early in the New Year would create a new political context in which a start to decommissioning should occur.

IRA

Issue statement in which they would:

- acknowledge the democratic endorsement, North and South, of the Good Friday Agreement in all its elements;

- state their readiness, along with others, to play their part in implementing the Agreement as a whole.

General de Chastelain

Commission issues statement:

- confirms positive co-operation with Sinn Féin/loyalists and all accept actual decommissioning to be completed by May 2000;
- has agreed satisfactory modalities with all its contacts, removing any practical obstacle to decommissioning;
- offers assessment, on basis of discussions, that a start to actual decommissioning will occur in the context of further political progress early in the New Year in implementing the Executive and other bodies.

Mr Trimble

Issues statement in which he would:

- welcome the various statements; and
- look forward, on the basis that progress (including a start to actual decommissioning) continues to be made, to working with all parties entitled to seats on the Executive so as to achieve the transfer of powers without further obstacles early in the New Year.