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Dr Paisley TALKS UPDATE WITH NI PERM SECS law to UVV that night and again on 25 July but did not reject resumption in September.

1. Last updates with Perm Secs were 17 and 20 July, taking them up to plenary meeting of 16 July (questioning of Irish, and prevaricating about taking a summer break, the date of the next IGC and following discussions in Dublin).

Friday 17 July

2. Cross-questioning of Irish ended, then SDLP's turn. Irish served John Hume a 'few gentle lobs' - clearly pre-arranged. SoS then took questions for HMG - nothing new, and all fairly good humoured.

Wednesday 22 July

3. Questioning of HMG and then DUP (after another reminder about the need for confidentiality following weekend leaks). Dr Alderdice opened up an unhelpful discussion on Articles 2 & 3 and debate degenerated into acrimony - breakdown seemed entirely possible but Chairman saved the day by calling a tea break.

Thursday 23 July

4. Irish resumed cross-questioning of DUP - failed to get acknowledgement that GOIA 1920 might be a precedent for the uniting of the 2 Parliaments, but Dr Paisley did admit that Stormont had not been perfect. Irish continually tried to turn DUP statements against DUP without success. DUP said they wanted to consider N/S relationships but rejected joint authority and an all-Ireland referendum.

Day ended with more questioning of SoS who reassured both SDLP (on commitment to 3 stranded approach) and DUP (on various issues).

Friday 24 July

5. Leaders meeting and Business Committee met. Agreed that talks should recess until 2 September (Business Committee to meet again on 1 September in PB), with a Strand 2 meeting to be held in Dublin w/c 21 September.

Plenary was mercifully spared Dr Paisley's threatened reading of the DUP's 56 page response document. The day was spent in questioning the UUP - to little end as Mr Maginnis refused to be drawn on what he meant by his party's desire for an internal and external accommodation. Participants formal responses were then tabled and after more exhortations about confidentiality, class was dismissed. Delegates were also invited to table papers by 28 August which might assist deliberations after the recess.

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Dr Paisley did give a 'hard-line' interview to UTV that night and again on 25 July but did not reject resumption in September.

It had also been agreed on 24 July that there should be a 'Strand 3' type meeting in Dublin on Tuesday 28 July. David Trimble wrote to SoS suggesting that this was code for an IGC but was disabused of this in SoS's reply.

6. Tuesday 28 July

Prior to meeting, the two governments agreed an agenda - basically a review of developments in Strands 1 and 2 and preparations for Strand 3, particularly liaison arrangements with the participating parties (since Strand 3 will be concerned with the relationship between the 2 governments and will take place between the two governments). SoS and Mr Hanley attended for HMG (supported by officials), with Mr Andrews, Mr Flynn, Mr O'Malley and the Tanaiste (plus officials) for the Irish.

On procedural matters, it was agreed that there should be a further Strand 3 meeting w/c 7 September. The Irish were clearly anxious to fix a date for the next IGC and proposed 29/30 September - SoS did not demur. Reviewing progress, the Irish expressed disappointment at the DUP's entrenchment. Mr Hanley emphasised the progress of Strand 1.

SoS stressed need for open discussion on Articles 2 & 3 and GOIA by all parties - he made it plain there were no private arrangements between HMG and any other party, and suggested that "the Irish Government and the SDLP must not let the best be the enemy of the good" - Mr Flynn wrote this down!

Looking ahead, the SoS confirmed to the Irish that the SDLP proposals (while not those of the Irish Government) were not acceptable to the other parties. He stated his sympathy towards and understanding of the nationalist viewpoint which reassured the Irish. Irish proposal for a Working Group of officials was not taken up (could simply muddy the waters).

Meeting ended with agreement on liaison arrangements for Strand 3:

- all parties free to discuss Strand 3 issues with both Governments but Strand 3 discussions are between 3 Governments only.
- liaison meetings will be held regularly to keep parties in touch with progress.

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- outcome of Strand 3 will be considered by all participants alongside the outcome of the other 2 strands, with option for further Strand 1 and/or Strand 2 meetings as appropriate.

7. Developments since July

1. Analysis of Strand 2 response papers revealed a less hard green Irish response than expected. It emphasises NI as a failed political entity but also stresses need to deal with political realities in trying to achieve a working solution which acknowledges Nationalist and Unionist positions equally.
2. British have suggested 11 September not 7 September for next Strand 3 to allow time for completion of Strand 2 work. (Irish thought 7/9 firmly agreed - only w/c 7/9 agreed in fact).
3. No firm arrangements yet for a Strand 2 meeting in Dublin (as had been agreed on 24 July). Assumption is still that all parties will attend for several days of Plenary and sub-committees, although Dr Paisley's public statements suggest DUP not committed.
4. No date for IGC agreed yet - Irish pressing for 29/30 September.

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