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TALKS UPDATE WITH NI PERM SECS - FRIDAY 30 OCTOBER AT PCC

1. Last spoke on Monday 19 October - agreement had been reached that best way forward was for series of bilaterals until Plenary on Friday 30 October.
2. Taoiseach's speech at Bodinstown on 18/10 set w/c 19/10 in context and raised question of simultaneous referenda. Also offered other signals on Irish position. HMG had ready Draft Heads of Agreement (given to NI Perm Secs - grateful for comments so far, welcome any others) and passed to Sir Ninian to aid his preparation of his own draft. Sir Ninian had undertaken not to reveal any such document if any one of parties objected. No other party produced a paper.
3. SDLP introduced a new idea in week commencing 19/10 - proposal for a split in civil policing and anti-terrorist work. The former could be the responsibility of new devolved administration in NI, the latter, run by the new N/S institution. Irish were not enthusiastic - Mr Flynn said "I don't even want to discuss it!" (beginning of split between ROI and SDLP?).
4. Sir Ninian met Irish in Dublin on 20 October and British and Irish officials met - "Dinette" - that night in Belfast. This proved to be a frank and generally encouraging meeting (confirmation too that Flynn was key Irish player). Irish told Sir Ninian they needed more on N/S institutions and a statement from HMG on possible future implication of Ireland.
5. Sir Ninian met Alliance, UUP and DUP on 22/10 prior to reporting to Strand II sub-committee on 23/10. UUP had indicated willingness to him that they would accept that some decisions could be taken by N/S institution - clearly moving away from DUP. DUP still unhappy with:

CONFIDENTIAL

1

GR.33698



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- Panel role in appointing Heads of Department
- executive authority and N/S institutions

but would re-engage if Sir Ninian could assure them in his document that Arts 2 and 3 would be amended.

6. SOS met ROI, SDLP, UUP and DUP on 23/10 and discovered:

- Irish happy with their bilateral with UUP but insisting on need for constitutional balance if Arts 2 and 3 to be put to people;
- SDLP admitted security was problematic and they would not push their idea before IGC, expressed view that they could do a deal with UUP (UUP and SDLP set up joint working group to progress details). Some evidence that Mr Hume might drop his external commissioners emerged;
- UUP were upbeat - believe a deal can be done;
- DUP clearly unhappy with UUP and not prepared to consider anything which might "drip feed a united Ireland".

7. At Strand II committee on 23/10 Sir Ninian confirmed that following consultation with all parties he would produce paper on elements of a settlement which could then be discussed privately with parties so that an agreed paper would emerge. He envisaged discussion on:-

- (i) a N/S body with equal N/S representation, decisions by consensus, joint action where mutually beneficial
- (ii) a NI administration based on Strand I report

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(iii) a constitution (which included support for amendment of Arts 2 and 3 in his view)

(iv) security.

DUP still not ready to re-enter based on (3) above.

Increasing evidence that Sir Ninian has not fully grasped Strand I issues.

8. UUP Party Conference on 24/25 October was positive and united despite DUP accusation that UUP negotiators had "gone too far" especially regarding the possibility of some role for Panel in relation to Heads of Department appointments.

Sir Ninian may have been rather too frank with DUP in outlining some of his bilateral discussions with other parties and had misled them, and misrepresented the UUP.

9. Further bilaterals during w/c 26/10.

SOS agreed that Talks would end on 11 November following statement to HOC on 10/11.

Despite knowing SOS not available on Thursday 29th (TOPs) Irish could only attend PB that day. Evidence that Sir Ninian not ready to table paper at Plenary on 30th despite signals that a final intense week of negotiations essential. HMG pressed for an oral 'judgement of Solomon' if nothing else by Plenary on 30th.

- Meeting with Irish on evening of 29 Oct - November 2 & 3  
in view of HMG going back to Dublin on the constitution -  
essentially HMG welcoming an  
agreed or Underlined Dublin  
as the long term solution

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3

GR.33698