

J Powell Esq Chief of Staff to the Prime Minister 10 Downing Street LONDON SW1A 2AA - BY FAX

4 December 1998

DEAR GONATHAN]

RESUMPTION OF DRUMCREE TALKS

Together with David Watkins and Tony McCusker, we have discussed by telephone and on the VCR the practicalities of resuming the indirect contact talks, and agreed in principle to do so subject to Ministerial endorsement.

- 2. I understand that the Prime Minister and the Secretary of State agreed when travelling to Belfast on Wednesday evening that there should be an early resumption of steps to try to break the impasse in Portadown. It therefore now seems appropriate to move to re-establish the process. We believe that the best way of doing this would be for you to write to the two sides, and I attach a self-explanatory draft which, if you are content, should ideally issue before the weekend.
- 3. The draft indicates that we hope to convene the talks on 10 December, although as you know Breandán Mac Cionnaíth has expressed reluctance to engage before the New Year. This is very unattractive to the Orange Order, because it would mean there was no chance of the process leading to a march this

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year. (It may well not lead to that outcome anyway, but at least if talks proceed this month the responsible Orange leadership will have more scope to use their influence to prevent violence by loyalist extremists, such as occurred around Drumcree Church last night.)

- 4. One option in handling Mac Cionnaíth's reluctance would be to threaten to "name and shame" whichever side refused to an early resumption of the talks. However, this might not be advantageous in the longer term, and the Irish are opposed to anything which might be seen as the Government publicly identifying the residents as the awkward party. In addition, in the wake of last night's violence, Dara O'Hagan, a Sinn Fein Assembly member from the Portadown area, has called for early talks between the Orange Order and the residents. This is designed to embarrass the Order, who have so far refused direct dialogue, but may also make it more difficult for Mac Cionnaíth to rebuff this approach.
- 5. The draft letter accordingly expresses a strong wish for the talks to start on 10 December, but includes some flexibility if that poses insuperable problems by inviting both sides to propose alternative dates before Christmas. (A deferral of the talks could lead to a complication as to **venue**, since the SX3 Training Centre may not be available in the week beginning 14 December. We are exploring other options.)
- 6. Once the letter issues, it may well leak to the media from one side or the other. Overall, that may be helpful in demonstrating that the Government is taking active steps to try and resolve this long-running dispute. If we are asked to comment, the line might be as follows:

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"Ever since July, the Government has been playing an active and constructive role in trying to facilitate a local accommodation in Portadown which would address the legitimate concerns of all sides. The current initiative is a continuation of that effort."

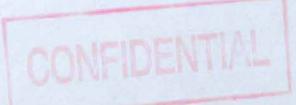
7. There are some other current contacts relevant to the Drumcree issue on which we might brief you orally. It would probably be sensible for us to have a further VCR discussion early next week: Edna Caldwell here will seek to arrange that at a mutually convenient point.

Mours, etc

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LETTER FOR JONATHAN POWELL TO SEND TO DENIS WATSON AND BREANDAN Mac CIONNAITH

December 1998

The Prime Minister has asked me to write to you to propose the immediate reestablishment of talks involving the Garvaghy Road Residents' Coalition and the

Orange Order, in order to resolve issues which are currently the source of tension
in Portadown and, in particular, to reach an agreed local accommodation to the
problems caused by disagreement over parades at Drumcree.

In view of the ground already covered in the contacts which I and NIO officials have had with both sides since last July, I hope that it will be possible to achieve before Christmas a resolution of the issues which addresses the legitimate concerns of all sides. I can assure you that the Government has no predetermined outcome in mind.

I believe that the talks should start without delay, and therefore propose that we convene on Thursday 10 December, at the SX3 Training Centre at Nutts Corner. I should be grateful if every effort could be made to attend on this day; but if that

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poses insuperable problems please let me have an alternative date before

Christmas on which you and your colleagues would be available to participate in talks for a 2/3 day period.

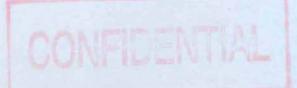
The talks will take place on the following basis:

- No direct contact between the two sides, except by agreement.
 Officials and facilitators will move between the two sides in search of an accommodation.
- Each delegation to consist of no more than six participants. There
 will be no veto on the composition of the delegation of the other
 side.
- The outcome to be agreed in full, covering all aspects, before implementation.
- The two sides should not speak to the media while the process is going on.

I should be grateful if you could let me have early confirmation of your attendance.

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I am writing in the same terms to the [Garvaghy Road Residents' Coalition/ Orange Order].

JONATHAN POWELL