

PRIME MINISTER

cc: PS/Foreign Secretary
PS/Chancellor of the Exchequer

JOINT DECLARATION INITIATIVE: TEXT

You have seen the NIO letter commenting on the outstanding points after the 10 December round of negotiations with the Irish.

The NIO have reversed the position which they and the Cabinet Secretary took fiercely over the telephone concerning the "Forum for Peace and Reconciliation". They now grudgingly accept that there should be a reference in the text, hedged with qualifications. It is largely our own fault that the Irish were able to counter attack over the Convention, as we let them know that Molyneaux was not strongly opposed to it.

If there is to be a "Forum" or Convention, I believe that we would be right to mention it in the text, with its lack of powers and status indicated as clearly as possible. To have the body surface from the Irish side within hours of the Joint Declaration would create enormous suspicion among Unionists that we had been party to a hidden Irish agenda - another act of "betrayal". I have consulted Archbishop Eames privately on the telephone, and he shares this view. We know also that James Molyneaux accepts the point.

The NIO's other main quibble is over the phrase "as of right". Here again, we have not helped ourselves. The phrase has been in the text for weeks, without objection from us. We have only picked it up at the eleventh hour.

With your agreement, I propose to negotiate in three parts:

1. Clear the ground of minor points. I shall deal first, as instructed, with points a. b. d. e. g. h. j. k.
2. New Final Paragraph. I shall then take paragraph 11, which is a new Irish proposal this week, plus one contested

British sentence. I shall accept most of the Irish language (this involves few concessions - none of real substance) and negotiate hard for the best obtainable reference to the talks process. NIO's instructions do not help: we had "intensify" in the relevant paragraph of the 29 October Brussels statement, but they do not want to repeat it.

If the Irish do not concede an acceptable reference to the talks process, I shall reserve the point for you and the Taoiseach.

3. Trade off of major points.

I shall negotiate on the basis that the old paragraphs 10 and 11 (the Irish Convention paragraphs in JD14) are already off the table and cannot be reintroduced. **This remains a potential break point for us.**

That leaves four outstanding points which can reasonably be defined as the major obstacles.

I shall offer to trade:

- "within three months" (paragraph 10)
- inclusion of the "Forum for Peace and Reconciliation" (end of paragraph 10), with acceptable qualifications;
- the Irish re-draft of the first sentence of paragraph 4 (which includes an extra reference to a "united Ireland)

against:

- extensive revision of the "as of right" sentence (point (f) - fifth sentence of paragraph 4);

I may well not be able to complete this trade off. The Irish will fight very hard to retain "as of right". In that case, I shall reserve the outstanding **points to you and the Taoiseach.**

