3. CROSS-BORDER DIMENSION

3.1 Anglo-Irish Intergovernmental Conference

The Review of the Agreement in 1989 resulted in greater concentration on North/South co-operation on social and economic subjects than had previously been the case. The topics already discussed at meetings of the Conference by respective Departmental Ministers include energy (particularly gas and electricity), health, tourism, river quality, roads and rail links, rural development and a cross-border canal. A programme of new subject matters for the next 6 months has been agreed and will include discussions on education, research and development, North/South trade and the implications of the Single European Market, culture, and Government purchasing policies. In addition to the subjects discussed within the Conference there is also a wide range of bilateral contacts between Departments in Belfast and Dublin to include such issues as marketing, EC programmes, European education studies, Ordnance Survey, vehicle licensing, genealogy, child protection, fisheries, drainage, social security and veterinary issues. The completion of the Single European Market will provide enhanced opportunities for further co-operation.

3.2 One further topic discussed at meetings of the Conference is the EC INTERREG Programme which was submitted jointly to Brussels by Northern Ireland and the ROI and agreed in July 1991. To date, the Programme has been well received both by the EC and in NI generally. The cross-border nature of the Programme and the fact that NI, for political reasons, must be seen to earn at least 50% of the available funding, ensure that INTERREG continues to have a high profile out of proportion to the funds available. To date, considerable interest has been shown in the Programme apart from the Agriculture and Community Development measures where more applications would be welcome. DFP, as programme manager, is anxious to ensure that projects are approved and spending drawn down as quickly as possible.

3.3 It is also worth noting that although most Governments have complained about the proliferation of EC initiatives and the fact that the work involved in implementing them is usually out of proportion to the funding available, in general INTERREG has been excluded from such criticism. It is almost certain that it will continue to feature in the post-1993 package of proposals.

3.4 **Customs restrictions on the ROI Border**

The Republic of Ireland have negotiated a further derogation (to run for 1 year from 1.1.92) to the EC provisions on 'duty paid' allowances. This provides for the following relaxation of the current allowances:

	Current Allowance	Allowance to Apply in 1992
Cigarettes	150	300
Smoking tobacco	400g	400g
Spirits	0.75 litres	1.5 litres
or		
Intermediate products and sparkling wine	1.5 litres	3 litres
Still wine	2.5 litres	5 litres
Beer		12 and 25
litres	15 and 30 litres (for travellers out of the Republic for less and more than 24 hours respectively)	
Other products	110 ecu *	175 ecu **

* subject to a single item limit of 95 ecu

** subject of a single item limit of 150 ecu for travellers out of the Republic for more than 24 hours, 110 ecu for less than 24 hours.

3.5 Under the new single market provisions to come into effect from 1.1.93 the Irish will not be able to apply an extension of the existing restrictions. They have however negotiated a 'special provision' in respect of the new regime of 'indicative limits' which will distinguish between commercial and private transactions in tobacco products and alcoholic drinks. Commercial transactions will be taxed in the country of destination whereas private transactions will be taxed in the country of origin. The minimum indicative levels agreed by EC Finance Ministers are as follows:

Cigarettes	800
Cigarillos	400
Cigars	200
Smoking Tobacco	1 Kg
Spirits	10 Litres
Intermediate Products	20 Litres
Wine	90 Litres (including a maximum of 60 Litres of sparkling wines)
Beer	110 Litres

3.6 For a limited period, to be agreed bilaterally between the UK and the Republic of Ireland, Ireland will be able to apply minimum indicative levels for wines and beer at 50 per cent of the levels generally agreed. The UK will be negotiating to keep the period as short as possible. Ireland did not want to set any time limit. The Commission had suggested 1999, the same period as is being allowed to phase out 'duty free' allowances for the Community generally.

This issue (if not resolved beforehand) may be discussed in the Intergovernmental Conference.

3.7 It is understood that the May finance bill, which includes provisions aimed at completing the single market, will contain some measures which affect NI. These include:

- closure of existing customs stations near the Border;

- abolition of the current system of approved and unapproved border crossings from the ROI into NI; and

- creation of a 'control zone' extending some 20 miles in from the Border, within which enhanced preventive checks would be carried out by mobile Customs teams.

It is possible that closure of the Customs posts might be cited by Unionists as further evidence of a government withdrawal from the Border. Further discussions are being held about the security and other implications of the proposals.

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