

2/98

CONFIDENTIAL

ASST *DB 145/1*
SEC -9 JAN 1998
CENT SEC

C

HCS/12/98

FROM: D J CRABBE
PS/MR SEMPLE
9 JANUARY 1998

- cc PS/Secretary of State(B&L)
- PS/Mr Murphy (DFP,B&L)
- PS/PUS (B&L)
- Mr Thomas
- NI Permanent Secretaries
- Mr Stephens
- Mr Watkins
- Mr Bell
- Mr Brooker
- Mrs Brown
- Mr Ferguson
- Mr D Hill
- Mr Maccabe

Mr Black
Mr Dyer
LO2/11

NOTE FOR THE RECORD

MEETING WITH UUP RE NORTH/SOUTH BODIES

1. At Mr Trimble's request (at short notice) Mr Semple met a delegation from the UUP in Parliament Buildings on 7 January 1998 to discuss the practicalities of North/South Bodies. The delegation comprised David Trimble, Reg Empey and Peter Weir. Mr Watkins, Mrs Brown, Mr Ferguson and myself were also present.
2. Mr Semple opened the meeting by welcoming the opportunity for discussion and giving delegation a copy of the six-monthly list of North/South co-operation which had been compiled by Central Secretariat and had been laid in the library of both Houses. Mr Trimble outlined his rationale for requesting the meeting stating that it followed conversations they were having with the Irish Side looking at cross-border co-operation. He explained that their aim was to explore practicalities without prejudice to political position. In their meetings with the Irish they had been looking at areas which might potentially be administered via cross-border agencies and not

CONFIDENTIAL

CONFIDENTIAL

just areas of co-operation, in other words examining the potential institutionalisation of current co-operation. Mr Trimble stressed that the UUP position was to examine the practicalities which he said should be dominant in assessing the effectiveness and efficiency of the creation of any North/South co-operation institution. In their discussions to date the Irish had mentioned areas such as tourism, animal health, teacher qualifications, etc and had drawn from Joint Framework Document in so doing. Mr Trimble referred to briefings he had received from Michael Ancram, who had read from a list longer than that which appears in the JFD and said that they wished to explore the background of such a list as the Irish Side appeared to know all the background and the practicalities. He stressed that the purpose of the meeting was to ensure that in their discussions with the Irish Side they did not create expectations which might ultimately prejudice the NICS and others.

3. Mr Watkins explained that the JFD list had been drawn up by a process of exclusions and in response to this Mr Trimble said that they were keen to explore how and why exclusions were made. Mr Empey said that it was possible to reach a position where anything could be excluded (or indeed included) for political reasons but the UUP standpoint was that co-operation per se was not a problem. He went on to say that they were keen to identify "grey areas" such as the Foyle Fisheries.
4. Mr Semple said it might be useful to take a broad over-view going through Department by Department and examining where and how co-operation currently existed. Starting with DED, he explained that tourism has potential for co-operation. It would ultimately be possible to examine a joint tourist authority or a joint marketing body, or just a consultative forum would all be possible and would depend on the political will as to what form co-operation should take. Mr Watkins pointed out that areas such as the giving of grants to hotels etc did raise some technical difficulties on account of differing

CONFIDENTIAL

CONFIDENTIAL

taxation, currency etc. Mr Trimble pointed out that the Irish had suggested areas such as hotel grading might be possible. However, Mr Empey stressed that decision making in this area could have political overtones. Mr Trimble pointed out the need for care in examining joint marketing especially with regards to points of entry etc.

5. Moving on in DED's remit, Mr Semple pointed towards the potential for joint trade promotion although highlighting the need to separate this from inward investment which brought technical difficulties with it, not least competition, taxation etc. Mr Trimble queried Northern Ireland's status vis a vis the DTI committee on inward investment which he says John Prescott pointed out (on the floor of the House) that Northern Ireland were fully represented in. Mr Semple and Mr Watkins pointed out that the situation was not clear cut, there had always been a clearing house and the current position was a strengthening of a previous position. Mr Empey stressed that they would not be prepared to "harmonise" with ROI to the extent that they would be cut off from London/DTI representation and intelligence with regards to trade. Mr Watkins pointed out that harmonisation can work both ways. However Mr Trimble stressed that they did not wish to see a situation where they would be locked out of London.

6. Mr Semple pointed out that trade promotion seemed less problematic and there might be scope for joint trade ventures etc. Moving on to energy, Mr Semple highlighted the ongoing co-operation such as the electricity interconnector and the potential for further co-operation eg, gas etc, although the asymmetry in ownership of electricity generation etc between North/South complicated this sector. Co-operation also existed at present as regards research and development. Moving on to look at employment law and equal opportunities, Mr Trimble stressed that it was absolutely essential

CONFIDENTIAL

CONFIDENTIAL

that Northern Ireland employment law was the same as in GB, and this limited the extent of co-operation and harmonisation.

7. Moving on to DFP responsibilities, Mr Semple pointed out the existing co-operation which existed in public procurement which sought to benefit smaller firms, North and South, in tender competitions. A good example recently in the health field had been a joint purchase of MRI scanners which had been to mutual benefit.
8. In looking at DOE responsibilities, Mr Semple pointed towards roads co-operation which has been ongoing for some time. Mr Trimble was quick to quip that Terence O'Neill's agreement with the Irish to have the A1 Belfast to Dublin road as a motorway the whole way - which has yet to happen! Looking at water, sewerage and pollution control Mr Semple pointed at the possibilities especially in the border regions for joint co-operation in these areas. Mr Empey stressed that HMG had different (better) standards or emissions etc, however the question of enforcement both North and South of the border is one which would prove tricky. Picking up on this, Mr Trimble said it would be interesting to examine the position on the Rhine or indeed the Elbe where it formed a border between several countries. Mr Empey pointed out that this was the sort of co-operation which may not require new mechanisms. Mr Semple stressed this again depended on political will.
9. Referring back to roads, Mr Watkins pointed out the potential for an all-Ireland roads strategy. This might have political implications but a case could be made out for it in Northern Ireland transport interests alone. Mr Trimble stressed that the UUP would wish to focus on border areas with regards to roads and would be very sceptical about any wider strategic view.
10. Moving on to wider transport issues, Mr Semple pointed out that rail transportation has more or less been dealt with and ports and airports had practical difficulties because of their competitive nature.

CONFIDENTIAL

CONFIDENTIAL

Mr Empey made reference to the fact that Dublin had greatly improved their ports infrastructure with the assistance of European funding, however both he and Mr Trimble expressed great regret at the lack of movement of improving the road to Larne which they saw as a confidence building measure. Building on this Mr Empey also stressed disquiet about the lack of improvement for the A75 in Scotland.

11. Exploring other DOE issues Mr Semple said that there was not much scope in the housing front, however there might be some elements on the heritage side which could perhaps be looked at under tourism. He referred to some scope in planning especially in the border catchment areas in which a case could be made for some sub-regional planning strategies. Mr Empey referred to the European spatial planning which was developing this to some degree already.
12. Moving on to DHSS, Mr Semple referred to health training areas especially nursing etc. Mr Trimble was quick to raise the charge of ROI citizens swamping nursing training already. Mr Empey said that this raised some scope to examine perhaps the increase of scale of training or creating larger capacity for training either North or South.
13. With regard to hospitals, Mr Semple pointed out that there was much ongoing co-operation already and hospitals North and South tended to complement each other. Wary of this Mr Empey pointed out that there could be problems if this were to move towards the examination of local provision where, for example, a decision could be taken to close a hospital on one side of the border because one existed nearby on the other side.
14. Staying with DHSS, Mr Trimble raised the question of social security fraud and asked what co-operation was currently ongoing. Mr Ferguson pointed out that good co-operation existed between offices on both sides of the border, however there were some

CONFIDENTIAL

CONFIDENTIAL

problems in sharing common data bases because of the Data Protection Act etc. He stressed that the main problem was with itinerants.

15. On the DENI front Mr Semple said that a significant area could be mutual recognition of training for teachers etc. Mr Trimble said that the sole problem here was one of Irish language as a qualification on the Irish Side and better co-operation could be had if ROI dropped this. Mr Empey raised the European dimension to this stating that there should be no language barriers [under the TODE system]. He said that Commissioner Flynn ironically had been driving some moves for changes in this area. He also referred to one of Ken Maginnis's constituents who had recently lost his job in Ballyshannon because of a lack of Irish language even though it wasn't a requirement for the job. On the broader Irish language front Mr Trimble raised the fact that ROI always sought to give a fictional picture of the practical use of Irish language and that this also extended to Northern Ireland where he felt tainted statistics painted a very false picture of the practical use of the language. Mr Empey stressed that the only real language problem with minorities existed in the Chinese community.
16. Mr Semple pointed out that also on the education front universities were currently involved in a great deal of co-operation especially on research and that perhaps there was scope for a co-ordinating body in this area. Mr Empey thought that no more was necessary than Departmental working groups meeting from time to time. On a wider educational front Mr Trimble stated that they would like to see education for mutual understanding extended to the ROI where a great deal of ignorance existed at present about Northern Ireland.
17. Mr Semple referred to other DENI responsibilities such as the arts, sport etc where much co-operation existed already. Mr Trimble said he would also like to see greater co-operation with GB on the arts

CONFIDENTIAL

front where he felt that there had been a failure to pursue real co-operation and cited examples of GB arts bodies failing to recognise Northern Ireland as a place to perform etc.

18. Completing the Departmental round-up Mr Semple looked towards DANI and in particular Agriculture and Fisheries. Mr Trimble stated that more could be done in a practical way with co-operation on fishing where he felt that the Hague Agreement was not being applied fully. Noting the difficulties that BSE had caused Mr Semple said there might be scope for training and advisory co-operation in the area of animal welfare etc. Mr Empey said that on pig meat higher standards in Northern Ireland had produced competitive disadvantage. This he said raised further question of the quality and effectiveness of enforcement. Looking to wider EU agricultural policies and Northern Ireland's representation in Europe Mr Empey said that the German Lander system could perhaps serve as a useful model for Northern Ireland as local representation was achieved by German Landers in the Council of Ministers. Mr Watkins pointed out that this was an internal arrangement which had the agreement of the Federal Government. Mr Empey stressed that there could be a mechanism where Northern Ireland "Ministers" might represent the UK on a policy agreed with ROI on the basis of a shared land base and on subject matter which was not seen as a priority for the UK Government. Mr Trimble pointed out that there was a need to look at how the Scottish and Welsh devolution models would be handled in this area also. Mr Empey was keen to push for an internal UK agreement to permit regional co-operation with the ROI in the EU. Mr Trimble said that his party was keen to find out more about how such similar issues especially with regards to devolution in Scotland and Wales might be handled. Mr Empey was keen to stress that Northern Ireland required a higher profile in Europe especially in areas such as agriculture which did not carry as high a priority in other areas of the UK. He was keen to see how policy would shape

CONFIDENTIAL

up in Europe post-2004. He stressed that the Northern Ireland Centre in Europe was a vital asset in this respect.

19. Mr Watkins pointed out that while we had dealt with all the Northern Ireland Departments there were other issues of co-operation, for example, in the Criminal Justice side where co-operation took place with regards to tackling the drugs problem etc.
20. In summary Mr Semple pointed out that much potential existed for North/South co-operation; the structures within which this would be taken forward was however largely a matter of political judgement and will. Mr Empey sought to gain intelligence of the Irish view asking whether they were seeking political point scoring or were genuinely engaging in the practicalities of the institutionalisation of co-operation. He queried whether there was a specific ROI shopping list. Mr Watkins responded saying that ROI put weight on the durability of a North/South body and its importance as the expansion of the Irish identity of the minority in Northern Ireland; but that their focus on functions might now be restricted to the JFD list. Mr Trimble felt that this was merely a starting position. Mr Empey sought to clarify the types of body that ROI envisaged: were they on the model of the Foyle Fisheries in which case there was no problem in their eyes or did the Irish see them as going further in this? The importance he stressed was to identify the lines of accountability and sources of authority for such bodies. Mr Watkins said his understanding was that the Irish sought to establish bodies which would be durable and have political as well as functional significance but that they secured and envisage accountability to an Assembly and the Dail respectively. Mr Trimble expressed concern at the use of the word "mandate" in Framework Documents and queried why the word "authority" had not been used instead. Mr Watkins sought to clarify this by stating that "mandate" was a negotiating instruction.
21. In closing Mr Trimble expressed his thanks for the discussion [which lasted approximately an hour and a half] and that the tour of the

CONFIDENTIAL

CONFIDENTIAL

horizon had been useful. He expected that he would be coming back to Mr Semple in further detail and specifically asked that the Lander question be looked into and further information forwarded to them on this; likewise on the inward investment point in paragraph 5. **[Mrs Brown is following this up.]** Mr Semple thanked the delegation for coming and expressed his willingness to offer any further help he could.

22. The general tenor of the meeting had been very cordial and constructive with the UUP appearing to be genuinely seeking information on the practicalities of institutionalising co-operation which they could go back to the Irish with in a meaningful way. Whilst there were some doors they were evidently keen to see being kept closed there were others which they were obviously willing to engage in opening.

DAVID CRABBE

☎ 28146

CONFIDENTIAL