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FROM: PETER N BELL
BRITISH SECRETARY
18 SEPTEMBER 1998

Handwritten initials 'PM' and the number '2419'.

URGENT

cc: See Distribution List

PS/MR MURPHY

CLOSING MARYFIELD - LOCATION OF THE BIIGS: MR TRIMBLE'S CONCERNS II

Issue: Ministers still have to address Mr Trimble's alleged concerns that the new BIIG Secretariat (BIIGS) (as well as the Anglo-Irish Secretariat until the new institution kicks) in may be based in Northern Ireland.

Timing: As soon as possible. Possibly in the margins of the next Ministerial meeting with Messrs Trimble and Mallon?

Recommendations: The Minister should explain to Mr Trimble that the Prime Minister gave no commitment that the BIIGS would not be based in Northern Ireland, and, if necessary, why this is inevitable. We should not 'float' the possibility of extra offices in London and Dublin, but he might, if pressed, reflect without commitment on how the activities of the BIIGS might be most sensitively presented. He should also sound out Mr Trimble on the possibility of the Irish remaining, for residential purposes only, at Maryfield for a short transitional period after the end of the year.

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Background

This was set out in my submission of 16 September (at Annex A) which suggested that Mr Murphy should explain to Mr Trimble why there was no alternative to a Belfast location for the BIIGS, but that he might sound out Mr Trimble on the possibilities, subject to Irish agreement, of two additional locations in Dublin and London. But before he did either, No 10 should be sounded out. The Secretary of State has now done so, and John McKervill's minute to me of 18 September (at Annex B) reports that, in his negotiations with Mr Trimble during Easter week, the Prime Minister gave no commitment whatsoever that the BIIGC Secretariat would not be based in Northern Ireland. The Secretary of State's conclusion was that we should continue to find an appropriate location in Northern Ireland (and we are doing so). (NB. The new Secretariats for the North/South Ministerial Council and the BIC are, at level, the responsibility of the Central Secretariat here and the Cabinet Office who will be following up the Secretary of State's preferences for Armagh and Liverpool respectively.)

What to say to Trimble now?

2. The Prime Minister's response is helpful. It enables the Minister to correct Trimble's misunderstanding, if genuine; or to squash his 'try on', if not. Even if the Irish were not currently against it, and the Secretary of State less than enthusiastic, this means that the Minister can, and in my view should, avoid even raising the possibility of two extra offices (even if largely notional, and located at no extra expense in Government buildings in Dublin and London).

3. On the other hand, the history of the negotiations is perhaps less important than what the current political market will bear. If the First Minister can convince Mr Murphy that the permanent existence of the BIIGS (or even the short term residual function of the AIS) in Northern Ireland will add to his difficulties when he is faced with the much more critical problem of 'selling' some compromise to his supporters that will permit the formation of an Executive, the Minister will not want to appear unsympathetic.

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4. I have slowly talked the Irish round from outright opposition to any concession to Mr Trimble, to conceding that they could sustain a position in which we both explained that, owing to its wider remit, officials of the BIIGS would inevitably spend much of their time, unlike their predecessors at Maryfield, in both London and Dublin. Dermot Gallagher has even gone so far as to contemplate designating some officials working in both capitals as members of the Secretariat for this purpose (which makes independently administrative sense). My own inclination, fortified by the Prime Minister's initial response, would not however be to volunteer any such presentational manoeuvre at least for the present, but simply to take note, and to consider sympathetically whatever Mr Trimble says. Later on, should this be necessary in the context of the wider negotiations to crack the Executive formation problem, there might then be a case for playing this card, with Irish agreement.

Irish residential accommodation at Maryfield

5. My earlier submission reported the Irish preference, if possible, to retain for the time being (and until something better turned up) their secure, collective residential accommodation at Maryfield even after this was abandoned for all work purposes. Given the odium of that establishment and a strict interpretation of the Prime Minister's commitment, one must doubt whether this would be politically 'on' - as the Irish reluctantly accept. They press us, however, to raise the point with Mr Trimble. And, in my judgement, it will be easier to ensure wholehearted Irish co-operation in the search for alternative accommodation if they can be reassured that we genuinely have taken their concerns on board.

Recommendation

6. I accordingly recommend that the Minister of State should:
- confirm the Prime Minister's understanding with Mr Trimble at their next meeting;
 - listen sympathetically, but critically, to any account of the political difficulties which the location of the BIIGS in Northern Ireland may cause him; but

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- not for the present, go beyond, in his response, a commitment to consider any proposals further; and,
- if appropriate, suggest that continuing secure Irish residence only at Maryfield at the end of the year would be helpful and note the reaction.

Signed:

P N BELL

P N BELL
01232 427532

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ANNEX A

FROM: PETER N BELL
BRITISH SECRETARY
16 SEPTEMBER 1998

URGENT

cc: See Distribution List

PS/SECRETARY OF STATE (B&L)

CLOSING MARYFIELD - LOCATION OF THE BIIGS: MR TRIMBLE'S CONCERNS

Issue: Mr Trimble is 'concerned' that the new BIIGC Secretariat (BIIGS) may be based in Northern Ireland. How do we address his concerns, possibly avoiding a row involving the Prime Minister and Taoiseach?

Timing: Pressing - certainly this week.

Recommendation: Note progress towards leaving 'Maryfield' this year. Mr Murphy should explain to Mr Trimble why there is no realistic alternative to a Belfast location. But he might sound Mr Trimble on the possibilities (subject to Irish agreement) of two additional locations, in Dublin and London. No 10's approval is desirable; you could write, with the Secretary of State's approval, on the lines of the attached draft, or she could use it as a 'speaking note'.

Background

My submission of 10 September to PS/Mr Murphy (at Annex A), explained that Mr Trimble had expressed concern over 'rumours', possibly reflecting press reports, that after 'Maryfield' closed the new Secretariat would still be based in Northern Ireland. His understanding was

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that once 'Maryfield' had closed by the end of the year, as the Prime Minister had promised in a short letter towards the end of the Talks, the new BIIGS would not be based in the Province. (NB. The location of the BIIGC Secretariat should be distinguished from that of the two other new Secretariats to be established under the Agreement: that for the BIC, for which Liverpool remains, in the longer term, a possibility; and the Secretariat for the North/South Ministerial Council, where Armagh is a runner, reflecting that City's symbolic association with all-Ireland co-operation. No decisions have yet been taken on either.)

2. Mr Murphy's Private Secretary wrote to John Holmes on 11 September (at Annex B) alerting No 10 of the problem, promising further advice shortly, and, in the meantime, counselling against confirming David Trimble's apparent misinterpretation.

Logistics

3. Our bottom line is leaving 'Maryfield' by the end of the year. With Ministerial approval, officials have been searching for new **office accommodation** for the BIIGS. We have identified potentially attractive accommodation in the top two floors of a newly refurbished office block in down town Belfast with which the Irish seem content. Negotiations continue.

3. **Living accommodation** for the Irish Side of the Secretariat is more problematic. In the longer term, the Irish Side aspire to living normally in the community, like their British colleagues. In the short term, owing to their continuing fears over security and the need to obtain and reassure more junior staff, they insist on living in secure, collective accommodation. Their first preference, therefore, would be to continue to live - though not to work, or even entertain - in Maryfield. They reluctantly accept, however, that this may politically not be acceptable, although they urge us to sound out Mr Trimble on this point. The search for alternative secure, residential accommodation is now also in hand as a matter of urgency. (We will be reporting further on all this.)

Analysis

4. My earlier submission explained why there is the **possibility of a damaging public spat** if Mr Trimble genuinely believes that the Prime Minister's commitment to close 'Maryfield' by the end of the year meant that the successor BIIGS (and the current Anglo-Irish Secretariat, in its last days) would be based outside Northern Ireland. Our working assumption, however, based on Mr Murphy's approval of recommendations in a submission of 3 June, is that the new Secretariat should be located in Belfast.

5. The **key arguments for a NI location are::**

- the Prime Minister's letter to Mr Trimble only undertook to close 'Maryfield' by the end of the year. Nothing was said about where its successor should be;
- nothing in the negotiating history of the Agreement suggests that the Secretariat would be based outside Northern Ireland, even though the Agreement is silent on location;
- despite the BIIGC's wider role in promoting bilateral co-operation at all levels on all matters of mutual interest, the bulk of the work of the new Conference (and its Secretariat) will focus on non-devolved matters here; and,
- most important, the concept of a new joint Secretariat, based on Northern Ireland and dealing with intergovernmental issues relating to Northern Ireland, remains of fundamental political significance to the Irish Government (and the nationalist community here) as a tangible acknowledgement of the Irish Government's special interest in the affairs of our Province - an interest explicitly recognised in the Agreement.

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It is a racing certainty that **the Irish Government would not agree to its location anywhere else**, even if it made administrative sense (which it does not, given that its chief business will remain non-devolved Northern Ireland affairs).

6. On the other hand, Mr Maccabe and I believe that the positive effect on Unionists of 'Maryfield's' closure should not be underestimated. In the days leading up to the Agreement, it could even have been a break-point. While the world has moved on, a critical factor remains how Mr Trimble reads the situation. Any suggestion, however faint or unreasonable, that he was 'conned' in April would be a powerful weapon in the hands of the DUP and UKUP as well as critics within his own party. **Thus, while there is no alternative to the new Secretariat's being located in Northern Ireland, it makes sense to find out from Mr Trimble what he thinks his own market will bear, and, if we can, find some way of helping him.**

A possible compromise?

7. If his approach was not just a 'try-on', Mr Trimble may find accepting that the new Secretariat must be based here less painful if we can visibly meet some of his concerns. Here the new wider remit of the BIIGC extending to the totality of the UK-Irish relationship, itself a negotiating concession to Unionists, suggests a way forward. In recognition of this wider remit, the new Secretariat might also have offices in both Dublin and London (Mr Murphy has suggested Dublin alone might suffice). The function of such offices would be largely nominal, although there could be administrative advantages in having a pied-à-terre in both Capitals to help discharge those wider responsibilities - and the arrangements could be defended publicly in terms of the new remit while giving Mr Trimble extra ways of showing that the new Conference was demonstrably different from existing arrangements.

The Irish Dimension

8. After an initial not too unfavourable response Irish reactions to compromise on the above lines appear to be hardening. In particular, they do not like the idea of 'tri-location', however nominal, in respect of London and Dublin. This detracts from the primary Northern

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Ireland focus of the BIIGS to which they remain greatly attached, however, provided they are reassured that we are not seeking to undermine the primary NI focus of the new institutions, I doubt that they will want to cause difficulties for Mr Trimble, if they are satisfied that his concerns genuinely reflect problems within his constituency. My Irish colleague is already prepared to speculate on how, without new offices as such, we might explain that in the course of its new, wider remit, including possibly the preparation of Summits, members of the (Belfast) Secretariat will naturally have to spend a good deal of time in Dublin. Ideally, they hope that Mr Trimble can be talked out of his worries, which they are inclined to dismiss. Failing that, their preference will be to finesse the presentation of an exclusively Belfast Secretariat, rather than announcing extra offices of any kind. (Irish concerns are a useful reminder, however, not to enter into any commitments that the Irish will not accept.)

9. In discussing these *possibilities* with Mr Trimble, it would also be useful to find out whether he could accept, possibly in return for some 'compromise', the Irish living (not working) in Maryfield as a short term transitional arrangement until they could move elsewhere, and perhaps also take note of any preferences he might have on the locations of the other Secretariats.

Recommendations

10. I accordingly recommend:

- we stand firm on a BIIGS based in Northern Ireland;
- we explore with Mr Trimble his views on what the political market will bear;
- if he is not prepared to drop his point, explore finessing the presentation of the new Secretariat, and, if pressed, float the *possibility* of two additional BIIGS offices in both Dublin and London; and
- note his views of the other Secretariats.

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11. Since Mr Trimble chose to raise this issue with Mr Murphy, I suggest that he should approach him. Also, by way of honouring our commitment to provide No 10 with early advice, I recommend that, with the Secretary of State's approval, you write on the lines of the attached draft to Mr Holmes, or, if the Secretary of State prefers, use the draft as a speaking note with the Prime Minister.

12. Given the need to provide urgent advice, I have not had the chance to discuss all the issues raised here with colleagues outside the NIO.

13. I should be happy to discuss.

Signed:

P N BELL

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☎ 01232 427532

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* With attachments

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ANNEX B

FROM: PS/SECRETARY OF STATE (B)
18 September 1998

cc PS/Secretary of State (B&L) - O
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Mr Warner - O

Mr Bell - O

CLOSING MARYFIELD - LOCATION OF THE BIIGS: MR TRIMBLE'S CONCERNS

The Secretary of State spoke to me from her constituency this morning and reported that in her conversation with the Prime Minister yesterday evening the latter had been clear that in his negotiations with Mr Trimble during Easter week he had given no commitment whatsoever that the BIIGC Secretariat would not be based in Northern Ireland. The Secretary of State's view therefore is that we should continue to find an appropriate location in Northern Ireland. On the idea of having two additional locations, in Dublin and London, she would be concerned about the extra resources this would require.

2. It may be helpful if I record also that the Secretary of State is very keen on the North/South Ministerial Council Secretariat being based in Armagh. She is also attracted to the idea that Liverpool could be a base for the BIC Secretariat.

SIGNED

JOHN McKERVILL
Private Secretary (B)

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DRAFT LETTER FOR SIGNATURE BY NICK PERRY

John Holmes Esq
Private Secretary to
the Prime Minister
10 Downing Street
LONDON
SW1A 2AA

September 1998

CLOSURE OF MARYFIELD - DAVID TRIMBLE'S CONCERNS

The issue

Liam Barr wrote to you on 11 September warning you that David Trimble might tell you direct of his concern that, following the closure of 'Maryfield' at the end of the year, the Secretariat for the new British-Irish Intergovernmental Conference (BIIGS) would be located in Northern Ireland. He promised further advice which this letter offers, including on handling Trimble.

Detail

2. The arguments in Liam's letter hold good: there is nothing in the history of the negotiations, nor in the text of the Agreement, nor in the letter of assurance given to Trimble by the Prime Minister during the last stages of the negotiations that 'Maryfield' would close by the end of the year, to support Trimble's interpretation. His approach may well have been a 'try on', if it was not a genuine misunderstanding.

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3. But there is no prospect of the Irish Government's agreeing to siting the Secretariat for the new BIIGC, whose main business will remain non-devolved Northern Ireland affairs, anywhere except in Northern Ireland, even though the text of the Agreement is silent on the point. As Liam explained, this is because, as the Irish have confirmed, a joint British-Irish Secretariat based in the Province, and dealing with non-devolved issues relating to Northern Ireland, remains of the highest political importance both to them and to the wider nationalist community here. This special interest, and its implications for the work both of the Conference and its Secretariat, are recognised in terms in the Agreement.

4. On the other hand, as the Prime Minister recognised during the negotiations, the positive effect on Unionists of 'Maryfield's' closure should not be underestimated, nor their continuing resentment at 'interference' by the Irish Government in the affairs of the Province. The issue could have been a break-point for them during the negotiations. Events and context have, of course, moved on since those days - but it remains no less important to understand Trimble's concerns. Any suggestion that he bought 'a pig in a poke' in April would be a powerful weapon in the hands of critics in his own party, as well as of the DUP and UKUP. Without conceding the location of the new Secretariat outside Northern Ireland (which would require Irish agreement), my Secretary of State accordingly believes it to be to our advantage to explore ways of responding imaginatively to Trimble's concerns.

5. She accordingly intends to ask Paul Murphy, with whom Trimble originally raised the matter, to find out more about the latter's thinking (including possibly on the location of the other new Secretariats about which no decisions have yet been taken: those for the British-Irish Council, and the North/South Ministerial Council). If it is clear that a single,

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Belfast location would genuinely embarrass Trimble, then he might explore possible compromises: ranging from publicly explaining that the new wider remit meant that the Secretariat would undertake a larger proportion of their work in Dublin and London. Another possibility he might float, if pressed, but against which Irish reactions appear to be hardened, is that the new BIIGS might be assigned additional offices in both Belfast and London. Even if they amounted to no more than pied-à-terres for the Belfast Secretariat, they could help reassure Unionists that the new Secretariat was visibly different from 'Maryfield' by bringing in that not being confined to NI business. Such an arrangement could be justified publicly, including by UK Ministers, in terms of the wider remit of the British-Irish Intergovernmental Conference - itself a concession to Unionists - whose responsibilities, unlike the current Intergovernmental Conference established under the 1985 Agreement, is specifically designed to promote bilateral co-operation at all levels on all matters of mutual interest within the competence of both Governments.

[6. At the same time, and in deference to Unionist sensibilities as well as to strong Irish preferences, we believe Paul Murphy might usefully explore whether David Trimble believes he could wear, in the short term as a transitional measure, continued Irish residence - though no work of any kind of work, including entertaining - at Maryfield for the Irish Side of the new Secretariat.]

7. I am sending copies of this letter to PS/Secretary of State, PS/Mr Ingram, Dominick Chilcott FCO, Dame Veronica Sutherland (Dublin), and Sir R Wilson.

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