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7 January 1998

cc Secretary
Mr Briant

To: Departmental Board Members

From: Ashley Ray
Central Management Branch

POLITICAL TALKS - NORTH/SOUTH ARRANGEMENTS

Purpose

1. The purpose of this note is to seek your help with background information required by Central Secretariat for their preparation of a discussion paper for the Talks on the sort of functional areas which North/South structures might cover.

Action Requested

2. Annexes B-E of the attachment set out a number of functions which may or may not be suitable for North/South harmonisation or joint action. I should be grateful if you would review the lists and amend them as you consider appropriate. Please note that the emphasis at this stage is on compiling lists of what is operationally possible for North/South working from which a shorter list of what is politically feasible may be drawn.

Deadline

3. I apologise for the short deadline necessary to meet Central Secretariat's requirements, but I should be grateful if you would forward your comments to Irene McAllister, Central Management Branch **by close of play on Friday 9 January 1998.**

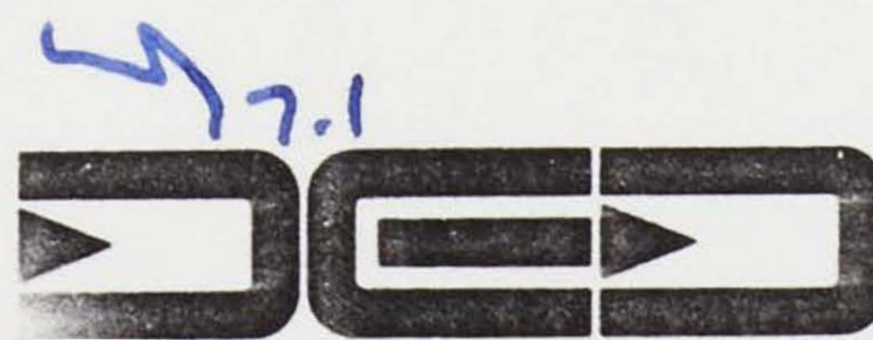
Ashley Ray

ASHLEY RAY

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for the Minister

*I am generally content
that the annexes are OK
as they stand.*



DEPARTMENT OF ECONOMIC DEVELOPMENT
An Equal Opportunities Organisation

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FROM: DAVID FERGUSON
CENTRAL SECRETARIAT
6 JANUARY 1998

cc PS/Mr Semple - O
Mr Watkins - O
Mr Brooker - O
Mr Smyth - O

NI PERMANENT SECRETARIES

POLITICAL TALKS - NORTH/SOUTH ARRANGEMENTS

06 JAN 1998

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1. It is an understatement to say that the past fortnight has been a turbulent one for the Talks process. In parallel with efforts on the security and prisons fronts, however, Ministers are determined to move the process forward with renewed vigour next week; and to this end a series of positional or discussion papers is being prepared for deployment with Talks participants. The purpose of this minute is to seek your assistance with the preparation of mainly the second of two papers on North/South arrangements - the first attempting to reflect some convergence of thinking on possible structures, the second looking in somewhat more detail at the sort of functional areas which the structures might cover.

Joint Framework Document (February 1995)

2. The Joint Framework Document (JFD) envisaged new institutions to "cater adequately for political, social and economic connections on the island of Ireland" and both Governments agreed that these institutions should include a North/South body involving political Heads of Departments on both sides to discharge or oversee a range of delegated "executive, harmonising or consultation functions". Illustrative lists of broad categories for the first two, including examples of the second, were set out later in the document and are reflected in Annex A to this minute. There was no categorisation of consultative functions.

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Emerging Thinking

3. As you know, Unionists were (and remain) implacably opposed to the JFD, particularly in relation to the parameters for a settlement on North/South arrangements. On the basis of a series of bilateral and multi-lateral exchanges in recent months, however, there has begun to emerge a possible model based on an EU-style Council of Ministers which it is thought may provide a reasonable basis of discussion if set in the broader context of over-arching arrangements bringing together representatives of the British and Irish Governments, devolved institutions in Northern Ireland, Scotland and Wales (in due course), and (in time) any other appropriate regional interest in the UK.
4. The difference between the JFD and now is perhaps more in the language than in the substance. But for the record, the emerging outline architecture for a North/South model envisages:-
 - a Council of Ministers acting as an umbrella body and comprising political Heads of Departments on both sides of the border;
 - much of the Council's business being discharged through bilateral meetings between Departmental opposite members;
 - decisions being taken by agreement;
 - the Council having power to consult on matters of mutual interest and decide whether to take action to harmonise policy or practice or whether the 2 administrations should act together in the delivery of services, while retaining responsibility within their own jurisdictions;
 - the capacity for functions to be discharged by "special councils" or agencies operating under terms set by the Council;

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- Heads of Departments remaining accountable to the Northern Ireland Assembly and the Dail and reporting regularly to those institutions.
5. Annexes B to E set out lists of functions which may or may not be suitable for harmonisation or joint action. They reflect more detailed consideration at official level within Northern Ireland with Northern Ireland Departments and between us and our Irish counterparts which took place in the period leading up to publication of the JFD. Against the background of the emerging model above, I should be most grateful if you would review the lists in the Annexes urgently and if you would amend, add to or subtract from them as you consider appropriate. Any qualifying comment would be helpful and welcome.
6. I should perhaps stress at this stage a clear distinction between what is operationally possible for North/South working and what is politically feasible. The object of the exercise at this point in time is to try to establish the former in the expectation that the latter will be a shorter list, at least initially.
7. Can I have returns by close on Tuesday, 13 January, please?

David Ferguson

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CONFIDENTIAL**ANNEX A****JOINT FRAMEWORK DOCUMENT - POSSIBLE EXECUTIVE AND HARMONISATION FUNCTIONS****Executive Categories**

Sectors involving a natural or physical all-Ireland framework

EC programmes and initiatives

Marketing and promotion activities abroad

Culture and heritage

Harmonisation Categories

Agriculture and fisheries (for example research, training and advisory services and animal welfare)

Industrial development

Consumer affairs

Transport

Energy

Trade

Health (for example co-operative ventures on medical, nursing and paramedical training, cross-border provision of hospital services and major accident/emergency planning)

Social welfare

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Education (for example, mutual recognition of teacher qualifications and co-operative ventures in higher education, teacher training, education formula understanding and education for specialised needs)

Economic policy

Sectors involving a natural or physical all-Ireland Framework

- Environment protection and pollution management
- Watercourse management and development
- Wildlife management and conservation
- Freshwater and other inland fishery issues
- Aquaculture
- Joint management of cross-border riverine systems
- Transport Networks
- Promotion and regulation of oil, gas and minerals exploration
- Ordnance Survey

Marketing and Promotion Activity Abroad

- X Tourism promotion, marketing and product research and development
- X Promotion and marketing of exports of food, manufactured goods and services from North and South
- Marketing of public and private sector consultancy services

Cultural and Heritage Issues

- Heritage protection and restoration
- Support for the Irish language
- Promotion of Irish culture abroad
- Support and promotion of the Arts
- Support and management of Museums
- Support and promotion of Sport

Others

- Health Promotion
- Civil Service Training Institute/Civil Service Assessment Centre

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ANNEX B

NORTH/SOUTH WORKING - FUNCTIONS CONSIDERED SUITABLE FOR JOINT ACTION

Sectors involving a natural or physical all-Ireland Framework

- Environment protection and pollution management
- Watercourse management and development
- Wildlife management and conservation
- Freshwater and other inland fishery issues
- Aquaculture
- Joint management of cross-border river/lake systems
- Transport Networks
- X Promotion and regulation of oil, gas and minerals exploration
- Ordnance Survey

Marketing and Promotion Activity Abroad

- X Tourism promotion, marketing and product research and development
- X Promotion and marketing of exports of food, manufactured goods and services from North and South
- Marketing of public and private sector consultancy expertise

Cultural and Heritage Issues

- Heritage protection and restoration
- Support for the Irish language
- Promotion of Irish culture abroad
- Support and promotion of the Arts
- Support and management of Museums
- Support and promotion of Sport

Others

- Health Promotion
- Civil Service Training Institute/Civil Service Assessment Centre

NORTH/SOUTH WORKING - FUNCTIONS NOT CONSIDERED SUITABLE FOR JOINT ACTION

Sectors involving a Natural or Physical all-Ireland Framework

- Animal, Fish and Plant Health
- Marine Fishery issues
- Integrated transport policy for the island as a whole
- Regulation and licensing of air traffic and a single ports authority

Marketing and Promotional Activity Abroad

- ✓ Promotion of inward investment

Cultural and Heritage Issues

- ✓ Development of film industry on an all-Ireland basis
- ✓ Youth affairs
- Broadcasting

✓ Management development services to industry

Consumer Affairs

- ✓ Trading Standards

Transport

- Planning of national road routes
- Rail development policy
- Regional airports development policy
- Regulatory aspects of road transport
- Road safety

Energy

- Geological surveying
- ✓ Energy research and alternative energy
- ✓ Joint energy projects

Trade

- Public purchasing policy

CONFIDENTIAL**ANNEX D****NORTH/SOUTH WORKING - FUNCTIONS CONSIDERED SUITABLE FOR HARMONISATION****Agriculture**

- Agricultural training and advisory services
- Agricultural research
- Co-operative development of the blood stock industry
- Animal welfare/Animal, plant and fish health
- Fisheries education and training
- Fisheries research, including management of research stations and research vessels
- Joint planning of Rural Development

Industrial Development

- Policies relating to
 - ☒ the development and support of indigenous industries
 - ☒ the development of the financial services
 - ☒ the development and support of the small business sector
- ☒ Promotion of research
- ☒ Management development services to industry

Consumer Affairs

- ☒ Trading Standards

Transport

- Planning of national road routes
- Rail development policy
- Regional airports development policy
- Regulatory aspects of road transport
- Road safety

Energy

- Geological surveying
- ☒ Energy research and alternative energy
- ☒ Joint energy projects

Trade

- Public purchasing policy

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Health

- Purchasing of medical equipment and supplies
- Cross-border provision of hospital services
- Major emergency/accident planning
- Amalgamated disease registries

Social Welfare

- ☒ Action to combat fraud

Education

- Mutual recognition of teacher qualifications
- All-Ireland programme on lines of Education for Mutual Understanding
- Exchange of teachers and administrative staff
- Education for specialised needs
- All-Ireland apprenticeship and other school competitions

Economic Policy

- ☒ Liaison on statistical policy (on issues on which an all-Ireland approach would be appropriate)

Others

- ☒ Supervision of Credit Unions
- Valuation
- Law Reform
- ☒ Miscellaneous Standards (eg, building regulations, road and bridge construction, fire safety, energy conservation)

NORTH/SOUTH WORKING - FUNCTIONS DEEMED NOT CONSIDERED SUITABLE FOR HARMONISATION

Industrial Development

- Development of services other than financial services
- X Areas of science and technology policy other than research
- X Company law (patents, company registration, etc)
- X Regulation of the insurance industry
- X Competition policy (including mergers, takeovers)

Employment Affairs

- X Policies and programmes to assist the unemployed (particularly the long-term unemployed)
- X Industrial relations support machinery
- X Employment training policy
- X Employee protection policy

Consumer Affairs

- X Aspects of consumer protection other than trading standards

Transport

- Regulation/licensing of air traffic

Communications

- Telecommunications policy and regulation
- Postal sector regulation
- Regulation of radio spectrum

Trade

- X Market development and product testing programmes

Health

- Training of medical, paramedical and nursing personnel
- Medical product approval procedures

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- Policies and programmes to combat socio-economic disadvantage
- Development of greater structural assimilation between social welfare systems North and South

Education

- Promotion of greater co-operation between third-level education systems (eg an all-Ireland admissions system, joint management of student mobility, pooling of some resource, shared provision of courses)
- Single certification system for third-level non-degree courses
- Single system of training for first and second-level teachers, both initial and in-career
- School curricula

Economic Policy

- ☒ Joint advisory body on social and economic policy for whole island (NESC/NIEC)
- Joint planning of regional development

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