

FROM: PS/Ian Pearson
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cc: See Distribution List

Chris Stewart - E

MEETINGS WITH MEPs, 6 SEPTEMBER 2004: JIM ALLISTER

Ian Pearson had an introductory meeting with Jim Allister and two advisers. Bill Pauley, Tony Canavan, Mark McLean, Elaine McCrory, you and I supported the Minister.

2. Jim Allister said it would be catastrophic if regional aid were to be cut to zero. He asked if there was a mechanism for an 'interim' facility to keep regional aid options open. The Minister agreed that state aids was a key issue for Northern Ireland. The UK submission had gone to the Commission, which was considering the issue. Tony Canavan said he knew there were some sympathetic ears within the Commission. Bill Pauley said the Government view was that different needs should be recognised. The UK point was that state aids needed to be more focused in all member states (at the moment, it was automatic in some states). Jim Allister asked if he could have sight of the working papers. Bill Pauley agreed to send him some information. **[Action: Bill Pauley please]**. Allister said he didn't want to see an extension of the qualifying area within the Republic of Ireland. The Minister agreed: he didn't want to see the border areas qualify for aid when Northern Ireland didn't, similarly, he didn't want to see aid for, say, Londonderry and not Belfast.

3. Allister said there were too many implementing bodies (fifty six) distributing Peace funding. The funding was not reaching the Unionist community sufficiently, although this was partly their own fault. Affirmative action was needed for working class Protestant communities. If change didn't occur, he wouldn't campaign for Peace III. He was opposed to Peace funding being extended to all of Ireland, and asked if the East-West dimension of the Agreement, as well as the North-South element, should not be brought into play. There had been significant emigration of farmers from the West of the Province to Scotland: perhaps Peace funding could be extended to Scotland. The Minister recognised the concerns of the Unionist community. Overall, the Catholic community had benefited



more, but only just. The balance was 54:46. £5m had been granted to develop weak community infrastructures and he hoped the Protestant community would benefit from that.

Agriculture

4. Allister said around 200 farmers stood to lose EU assistance because of a rather severe interpretation of the regulations regarding suckler calves. Because of the requirement for traceability, DARD had a full record of each farmer's herd, so it seemed unfair to penalise farmers for not providing that same information again. The Minister said he was sympathetic, but the fact was that most people had managed to get it right – the guidance notes were not unclear. The Department was taking legal advice at the moment. Mark McLean pointed out that there had to be a UK-wide solution: Northern Ireland couldn't be granted an exception. Allister's adviser asked if the process could be speeded up as much as possible: if the farmer fell below the 90% usage rule, he would lose his quota. The industry needed advise now on filling in next year's form. The Minister took the point.

5. Allister asked about the NIPSA strike. The Minister said NIPSA was currently consulting members on the 2004 award. The backlog should be cleared by mid-September. He didn't think there would be an impact on the single farm payments. The adviser asked if interest would be paid on balance payments. The Minister said he would consider it. The adviser pointed out that some payments might be overdue because of queries with the forms: these might have been cleared up earlier if officials had been there to provide advice, so it was unfair to penalise the farmers. Allister asked for clarity on the use of the national reserve for the single farm payment. Mark McLean said that discussions were ongoing, with the aim of an agreed position by the end of the month. There was as yet no decision on the new entrants.

6. On LFAs, Allister asked if Brussels had given approval yet for changes to the scheme. If the Committee hadn't given approval by the end of September, the deadline would be missed. The Government had announced the scheme in May 2003 so it was disappointing it had taken this long. Mark McLean said the Committee was due to meet



INVESTOR IN PEOPLE

on 22 September, but as yet no confirmation had been given that the item was on the agenda. The Minister agreed to look at the matter urgently, and to consider what would happen if approval wasn't given (for example, if we would then revert to the previous scheme).

7. Allister said he was disappointed at the 13 July decision of the DA Committee regarding the Over Thirty Months Scheme. The Minister said he would continue to lobby Health Ministers on this issue, as would DEFRA. He advised Allister to hold off lobbying in Europe until the UK position was agreed.

8. Allister asked if there had been any progress on the Nitrates Directive. The Minister said he understood the industry's concerns. He was trying to find a sensible way forward: three months and six months capacity, for example – but he had no firm proposals as yet. Allister asked if the UK might follow the Danish and Dutch in derogating; the Minister said he was seeing what the options were. Allister's adviser asked if there was a chance of a one year extension. The Minister said there would be difficulties in getting that past the Commission, but if lobbying would help, he would let Allister know.

9. On fishing, Allister asked if prawn and haddock quotas were being kept down because of the by product catching of cod. He queried whether it was wise to use cod as a measure of overfishing: other factors came into play, such as climate change. The Minister said he was due to meet with the industry next month and would take their view then. Allister said that Northern Ireland's fishing fleet was very old, but modernisation aid was due to end in December 2004. The Minister said the industry hadn't given it priority. The December Fisheries Council would be critical.

Signed

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