

CONFIDENTIAL

Rosale

6236

26

16 NOV 1998

FROM: **BILL JEFFREY**
Political Director
13 November 1998
BJ/MR/569

PS/MR MURPHY(L&B)

cc Mr McCusker
Mr Warner

***NORTH/SOUTH IMPLEMENTATION BODIES:
STAGED ASSESSMENTS***

Mr Murphy asked Nigel Warner and me to cast an eye over the assessments attached to Tony McCusker's minute of 12 November.

2. In the time available today, I have not been able to go into any great detail, but with two exceptions they seem to me to be in pretty good order, and to be considerable improvements on the predecessors.

3. The two exceptions are the ones we noted yesterday evening - EU programmes and trade promotion, business development and inward investment. I appreciate the complexity of the subject matter, but the EU programmes note still strikes me as extraordinarily dense and difficult to follow, for the intelligent non-specialist reader. It may be that too many options are illustrated, but the cumulative way in which the options are built up left me quite confused about what some of the later ones would actually entail. Since, as Mr Murphy remarked, the really crucial question about an EU programmes implementation body is the extent to which it would deny the new Executive necessary flexibility in the management of the Northern Ireland Block, I would have welcomed some clearer indication of by just how much each of the options limited that flexibility. It may be an over-simple approach, but a table showing total expenditure in the Block in a typical year, expenditure in the relevant areas, and the expenditure in relation to which, under each of the options,

- 1 -

CONFIDENTIAL

BJ/MR/569-13.11.98

CONFIDENTIAL

a degree of authority would in practice be delegated to the North/South implementation body might help to focus the issue.

4. On trade promotion, business development and inward investment, I think the problem is now almost the reverse, that the note is so compressed that the statements of implications of each of the options are very simplified and barely bring out the pros and cons. In particular, as Nigel Warner remarked yesterday evening, the implications of option 5, which is, after all, SDLP policy, are expressed extremely simply and dismissively, with no attempt to offer even a perfunctory argument in favour.

(Signed)

BILL JEFFREY
11 Millbank ☎ 6447

11/11/98

Full by 26

✓ Fax. urgently to John.

Ranken. HMA. Dublin.

from me

SECRETARIAT BELFAST



DATE: 11/11/98

NO. OF PAGES (including this one): 22

TO: Tony McCusker (528427)

FROM: David Donoghue

SUBJECT: Proposed Implementation Bodies

COMMENTS: D Brown; Inala re. Contact with Assembly

2/22

Part I: PROPOSED IMPLEMENTATION BODIES**(i) Tourism****Functions**

The Body would

- (a) implement on an all-island and cross-border basis international tourism marketing policies agreed in the North-South Ministerial Council (NSMC);
- (b) provide advice to the Council on international tourism marketing policy;
- (c) help the tourism industry develop its international tourism marketing expertise through market research, provision of information and other appropriate assistance;
- (d) plan and implement integrated international tourism marketing programmes, including programmes in partnership with the industry, to achieve policy objectives and targets agreed in the NSMC.

In exercise of its functions, the Body should

- (a) publish and disseminate information on the island of Ireland as a tourist destination in overseas tourist markets
- (b) co-operate with, consult, or assist any other body or association carrying out relevant activities
- (c) carry out surveys and collect relevant statistics and information
- (d) establish offices outside the island to promote and market island of Ireland tourism.

Structures

The Body would operate under the aegis of the NSMC. Options could be considered in relation to the structure. The preferred option, to take account of the desirability of a significant role in the operation of the Body for tourism industry interests, would be a statute-based limited company. Under this option, a limited company with share capital, backed by statute, would be set up with Ministerial power to take up shares in the company. The Company would have a Board, appointed by the Ministers, North

3/22

and South in the NSMC, and with guaranteed seats for industry representatives, North and South, on a basis to be agreed. Another option would be a statutory Body, under the direction of a Board appointed for a fixed term on an agreed basis by the relevant Ministers meeting in the NSMC.

Under either option, the Board, in consultation with the NSMC, would recruit and appoint the Chief Executive by open competition. The issue of funding for the Body would have to be examined carefully to ensure that in the new context sufficient resources were available to enable it to carry out its functions satisfactorily, having regard to the fact that the bulk of current Exchequer funding, North and South, for overseas marketing initiatives derives from the EU; the source of funding in question is due to expire in 1999. Incremental funding would, therefore, be essential from the year 2,000 onwards.

Discharge of Other Tourism Functions

It would be for the authorities North and South to determine specific policies and arrangements in relation to (a) the development of, including financial support for, their respective tourism products (b) the regulation and grading of accommodation (c) the preparation, publication and distribution within the island of detailed regional or local tourist information and (d) the provision of assistance, information and advice to visitors on the ground. Such matters might form the subject of consultation and, where agreed, co-operation within the North/South Ministerial Council.

Each side would be free to create, maintain or support the structures it considered necessary to carry out these functions. Any such structures would (a) receive all appropriate assistance from the Tourism Implementation Body (b) consult and co-operate with it.

Northern Ireland tourism structures would continue to be entitled to benefit from the support of the British Tourist Authority.

The possibility of collaborative arrangements between the Body and the British Tourist Authority (eg in regard to certain long-haul markets) could be explored, where this was regarded as being of mutual benefit.

Principal Benefits

The development of an integrated approach to international tourism marketing would, through the pooling of resources, enable the island as a whole to compete more effectively and on a larger scale for overseas visitors. It would in particular assist in the attraction to Northern Ireland of a more diverse and higher-spending range of visitors. An all-island approach is favoured by tourism interests in Northern Ireland.

4/22

(ii) Trade Promotion, Business Development and Inward Investment

Functions

The Body, which might have the working title, the Enterprise Development Agency (the EDA), would, within its overall structure, have two divisions.

One division would have responsibility for indigenous industry. Following the model of the newly created Enterprise Ireland, it would offer a fully integrated range of trade promotion and business development services to indigenous businesses, North and South. The client base of the Body would be comprised of Irish-based companies with the potential and willingness to grow, in particular through trading internationally. The Body would work with these companies to assist their holistic development across the range of their functions, including strategy assessment and formulation; research, development and design; production and operations; marketing, distribution and sales; human resources and in-service training; and finance (grant levels would continue to be distinct, North and South). The industry sectors for which the EDA would have responsibility would include Food Promotion.

The other division would have responsibility for inward investment. This would coordinate the work of the IDA and IDB, including through joint overseas representation and the pooling of market intelligence. The incentive packages on offer, North and South, would continue in parallel, and the two organisations would continue to exist, each with responsibility in its own jurisdiction.

Structures

The EDA would operate under the aegis of the NSMC in its trade/industry format. There would be a Board, appointed by the Ministers in the NSMC, with Sub-Boards of the main Board having responsibility separately for Indigenous Industry and Inward Investment. Broad policy direction for the EDA would be set by the Ministers in the NSMC.

In regard to the Indigenous Industry Division of the EDA, there would be a merger of the roles of Enterprise Ireland, Bord Bia (re food promotion), LEDU and aspects of the IDB and the Training and Employment Authority (T&EA). Northern companies would continue to have access to the resources of the British Overseas Trade Board.

In regard to the Inward Investment Division of the EDA, the IDA and IDB would establish joint offices abroad. In addition, a Liaison Group would be established between the Headquarters of the two organisations. This Group would have responsibility for the liaison arrangements between the two organisations and for coordinating their activities abroad.

[The establishment of a Body on the scale proposed above would, of course, be a

5/22

RC complex task. One means of taking it forward would be the establishment of a Supervisory Board comprising prominent industrialists and public servants (both departmental and agency) with a small secretariat, with whom the relevant agencies North and South would be required to co-operate. The function of the Supervisory Board would be to facilitate and oversee the establishment of the EDA, as described above.]

Principal Benefits

Indigenous Industry

The benefits of the proposed approach would include economies of scale from joint participation in inward and outward trade promotion visits; the facilitation of export growth through the availability of a single larger pool of suppliers to meet buyer needs; the providing of scope for improved linkages, sub-supply and public procurement; and the facilitation of greater North/South trade.

Moreover, in business development terms, the availability of combined resources and expertise would be a major asset in addressing common structural weaknesses in indigenous industry, North and South (these include dependence on traditional sectors and markets, low levels of profitability, weakness in Research and Development etc). An integrated approach would also facilitate the regional development of natural hubs and clusters and centres of excellence with greater infrastructural efficiencies.

We believe that the integrated model proposed, driven by individual clients' needs rather than programmes, offers the best way forward for companies North and South.

Inward Investment

The proposed approach to inward investment would have major advantages for the Northern economy in giving it access to the widely acknowledged professionalism of IDA's marketing resources abroad. While the different incentive packages in both jurisdictions might seem somewhat of an impediment, the more attractive tax system in the South would be counterbalanced by the more attractive grant packages in Northern Ireland.

Other advantages of such an approach would include a wider choice for inward investors in a larger location, offering varied incentives such as tax breaks, grants, different wage costs and greater availability of skilled workers, especially graduates; the dilution of harmful competition between the IDA and IDB; a shared network of offices and economies of scale; the pooling of market intelligence; and the mitigation of existing skill shortage problems.

6/22

(iii) EU Programmes

Functions

Initially (until the conclusion of the current Community Initiatives, including the Peace Programme, at the end of 1999) the EU Programmes Body would assume responsibility for those central secretarial, monitoring, research, evaluation, technical assistance and developmental roles currently exercised in respect of INTERREG and the Peace Programme by the Department of Finance and the Department of Finance and Personnel. It would also assume direct responsibility for certain sectoral sub-programmes under the Peace Programme (Interest rate subsidy; cross-border public bodies; roads).

The Body would also assume responsibility from the two Departments of Agriculture in respect of the administration of LEADER.

The Body would participate, in conjunction with the two Departments of Finance and the North/South Ministerial Council, in the negotiation of post-1999 successor arrangements and in the negotiation of the Common Chapter. It would have responsibility, in consultation with the two Departments of Finance, other relevant Departments, and the NSMC, for the preparation of detailed programme proposals under the post-1999 Community Initiatives (likely to be INTERREG, LEADER and EQUAL, plus any successor to the Peace Programme). In the implementation of these post-1999 programmes, it would be intended that, in addition to its central secretarial, monitoring, research, evaluation, technical assistance and developmental roles, it would exercise more direct managerial and funding functions (of the type currently discharged by Departments). It would also have responsibility for monitoring and promoting implementation of the agreed Common Chapter.

Structures

The Body would operate under the aegis of the NSMC. It would take the form of an executive agency, staffed, at least initially, by civil servants on secondment from the two administrations. Separate sections would have responsibility for (a) INTERREG and PEACE and (b) LEADER, (c) EQUAL and (d) the Common Chapter.

Principal Benefits

The Body would in the medium term facilitate efficiencies, through a tighter focus on programme objectives and activities by virtue of having a dedicated agency. It would respond to the European Commission's desire that the next INTERREG programme operate in a more flexible and genuinely integrated manner. It would also be a valuable demonstration of the importance of the EU to the peace process generally.

7/22

(iv). Training and Employment Services

Functions

The Body would build on existing co-operation between the relevant training authorities, North and South, viz. FÁS and the T & EA, and develop additional co-operation activities in a number of areas: (a) engagement with community organisations to develop community -based training programmes; (b) develop programmes based on IFI's "Wider Horizons" Programme, a vocational training and placement initiative for disadvantaged youth; (c) further development of centres of excellence e.g in the software area; (d) mutual recognition of qualifications (e) identification of skills requirements on all-island basis; (f) co-operation in apprenticeship activities

Structures

The Body would operate under the aegis of the NSMC in the appropriate format (the Ministers North and South responsible for training). There would be a Board which would be appointed by the Ministers in the NSMC. The Body would work in close co-operation with the relevant Departments, North and South, and with FÁS and T&EA.

Principal Benefits

The critical importance of the training area to economic development through increased performance and competitiveness is universally acknowledged. Increasingly, a common labour market has been developing on the island and there is a need to respond institutionally to the implications of this. Industry North and South sees clear value in enhanced co-operation of the kind proposed. There is already good co-operation between FÁS and T&EA. What is being proposed is to pick out elements of their existing functions which would make sense to handle and develop on a cross-border/all-island basis (much of the current activities of FÁS and T&EA would continue to be dealt with separately by the two organisations). Cross-border community partnerships would be of particular value in demonstrating benefits of Agreement to deprived areas.

There would be particular mutual benefit in identifying and meeting skill shortages in key areas on both sides of border. There is considerable scope also for developing centres of excellence in specific sectors and this process could be greatly facilitated by a dedicated Body of the kind being proposed.

8/22

(v) Strategic Transport Planning

Functions

The Body would promote integrated all-island planning in the major road, rail, air and sea transport sectors with additional functions in the areas of safety and regulation.

It would be responsible for (a) strategic transport planning for major roads, sea transport, cross-border rail services and airports (but not air services and regulation - these are reserved matters in the case of Northern Ireland); (b) aspects of road safety; (c) the development of an all-island approach to rail safety; (d) aspects of road haulage and bus regulations; (e) co-operation on EU cross-border and transport infrastructure programmes; (f) Information Exchange and Research in certain areas (eg urban transport; the application of telematics in transport; the development of logistical capabilities; road safety etc).

A major focus of the Body would be on road transportation matters. In the area of major road development, the Body would prepare an overall strategy for national/arterial road development, functions which are at present exercised primarily by the National Roads Authority (NRA) and the Northern Ireland Roads Service. The Body could, inter alia, assume functions in the co-ordination of specific cross-border functions - for example, in the proposed Newry/Dundalk Dual Carriageway and in the co-ordination of road design standards. It could be envisaged that, over time, the Body could assume responsibility for further executive functions, including in areas listed above.

Structures

The Body would operate under the aegis of the NSMC in its transport format. There would be a Board which would be appointed by the Ministers in the NSMC. The Body would work in close co-operation with the relevant Departments and agencies, North and South.

Principal Benefits

As the level of cross-border economic activity grows, so too does pressure on the transport system connecting the two parts of the island. North/South freight traffic is growing by 7% annually. North/South rail passenger numbers have trebled since 1991. There is a need for an integrated planning approach to address these realities.

Both parts of the island face a range of similar problems: peripherality, dispersed settlement patterns, growing congestion in major cities. It is desirable, therefore, to plan across the range of transport sectors to ensure that investment of scarce resources is optimised.

9/22

The main focus would be on direct cross-border routes. But all transport routes have some effect on each other, and all are in competition with one another for investment; hence the desirability of including the planning of all routes within the remit of the Body.

While the main focus in the area of strategic planning would be on roads, transport experts advocate an inter-modal approach; hence the integrated package proposed. Moreover, there is strong public interest even in privatised facilities, where there is often a degree of hidden subsidy (building of connecting roads etc.)

The EU approaches key routes on a transnational basis and is developing an integrated European Spatial Development Plan; the proposed Body would fit well with this context. There is strong support also among industry North and South for an integrated approach to strategic transport planning.

In the case of the number of operational functions proposed (road/rail safety etc), it is felt that there is practical mutual value in pooling resources/expertise, given the similarities in these areas in both jurisdictions.

10/22

(vi) Irish Language, Arts, Culture

Functions

In relation to the **Irish language**, a Body would promote the language and facilitate and encourage its use in speech and writing in public and private life in the South and wherever in the North there is appropriate demand. It would advise both administrations, public bodies and other groups in the private and voluntary sectors; undertake supportive projects and grant-aid other bodies and groups as considered necessary; undertake research, promotional campaigns, public and media relations; develop terminology and dictionaries; and support Irish medium-education.

The promotion of **Ulster Scots** might be best advanced through wider co-operation on lesser-used languages within the aegis of the BIC.

In relation to the **Arts and Culture**, the Body might assume the functions of the existing Arts Councils. Consideration could also be given to this Body assuming functions on an all-island basis regarding **Sport**.

Structures

Options would include (a) separate Irish language and Arts/Culture Bodies and (b) a single Body with two divisions. Either way, the Body or Bodies would operate under the aegis of the North/South Ministerial Council, with a Board or Boards appointed by the relevant Ministers meeting in the NSMC.

Principal Benefits

In relation to the **Irish language**, the Irish language community North and South is already strongly linked through all-island voluntary organisations. The expertise and experience available on the Southern side would assist Northern interests. There could be a stronger focus on Ulster Irish.

In relation to the **arts and culture**, there is already a strong commonality of interest between individual artists and arts sectors North and South, and substantial existing co-operation. A single Body would allow for economies of scale, especially in high-cost areas, and for the development of common approaches to international promotion.

11/22

(vii) Fisheries and Inland Waterways

Functions

The Body would have two divisions, one dealing with fisheries, the other with inland waterways.

The **Fisheries Division** of the Body would have responsibility for conserving, protecting, managing and developing the inland fisheries resource. It would also develop the tourist-angling product, including administration of investment support and funding of tourist-angling projects, and coordinate inland fisheries scientific stock assessment and research programmes. It would also have specific responsibility for the development of Lough Foyle and Carlingford Lough, incorporating and building on existing co-operation.

The **Inland Waterways Division** of the Body would manage, maintain, develop and restore the inland navigable waterway system across Ireland and take on the functions currently exercised in that regard by the Waterways Service of the Department of Arts, Heritage, Gaeltacht and the Islands in the South and by the Rivers Agency of the Department of Agriculture in Northern Ireland (approximately 850km including Lough Erne, Lower Bann, the Shannon, the Shannon Erne Waterway, the Royal and Grand Canals, and the Barrow Navigation). It would control its own support functions which are at present provided by the OPW and Dúchas in the South and by the Rivers Agency in the North. An early project could be the assessment of the restoration and development of the Ulster Canal.

Structures

The Body would operate under the aegis of the NSMC in its appropriate sectoral format(s). There would be a Board which would be appointed by the Ministers in the NSMC. Sub-Boards of the main Board would have responsibility separately for Fisheries and Inland Waterways.

The Fisheries Division would be composed of an all-island central fisheries board and satellite regional boards based on existing regional structures. This model envisages coordination/management from the centre with the satellites implementing at regional/catchment level.

The Inland Waterways Division would have five Units, dealing respectively with Canals, the Shannon (including Shannon Erne), Mechanical and Safety Matters, Design and Administration. It is envisaged that the Canals Unit would have responsibility for exploring the Ulster Canal project.

12/22

Principal Benefits**Fisheries**

There is a strong similarity of conditions and problems, North and South. Fisheries are also vital to tourism, given the key role of angling in the tourism industry. A dedicated Body would facilitate the deeper focus on marketing which the Authorities on both sides feel is urgently needed for the fisheries sector. A new Body could also facilitate the sharing of central research and development expertise.

Inland Waterways

The waterways are an important asset on both sides of the border, with common conditions and problems. There is already much cooperation in this area, so a Body would have a good basis to build on. In context of an all-island Tourism Body, it would be logical to have a common approach on waterways, given their importance to the tourism industry North and South. A dedicated Body would also provide the opportunity to put greater focus on marketing and development of waterways as a prime tourist attraction.

The development of the Ulster Canal (which is divided 50/50 between the North and South) could be a major flagship for the Body. The Shannon/ Erne Waterway project has shown what can be achieved by a co-operative cross-border approach.

13/22

II- POSSIBLE MATTERS FOR COOPERATION (COMMON POLICY/SEPARATE IMPLEMENTATION)

In accordance with paragraphs 8 and 9 (i) of Strand Two of the Agreement, at least six matters are to be identified and agreed for co-operation on the basis of existing bodies in each separate jurisdiction. In effect, what is involved is the identification of matters which would be for priority consideration of the NSMC once formally established. In the case of each designated matter, the NSMC in the appropriate sectoral format would seek to develop common policy approaches on the issues in question, with implementation taking place separately through existing machinery in the two jurisdictions.

The material below lists areas which are regarded as suitable for the adoption of such an approach. In the case of each matter, a number of issues are identified as being suitable for priority consideration in the appropriate format of the NSMC. In addition, it would make good sense that, if certain of the areas proposed in Part I above as suitable for the establishment of new Implementation Bodies were not pursued in that context, they should be considered in the separate implementation category.

(i) Agriculture

In view of its importance for the economies North and South, and the many common features shared in each case, it is envisaged that Agriculture would be a priority area for the work of the NSMC, once established. Within the framework of the NSMC, it is envisaged that the Department of Agriculture Northern Ireland and the Department of Agriculture and Food would pursue increased co-operation in a structured way in a range of areas. The purpose of this co-operation would be to develop where possible common approaches, common standards and collaborative delivery mechanisms in the following areas:

- Approaches to the CAP
- Animal and Plant Health Policy and Research
- Rural Development
- Research into Agriculture, Food and Rural Development.

[Note: The question has arisen as to which Agriculture issues would be best treated by way of an all-island Implementation Body. If agreed, two areas currently under the remits of the two Departments of Agriculture would be included in Implementation Bodies - EU Leader Programme and Food Promotion (see Part I above).

In relation to other Agriculture areas, such as the four listed above, it is felt that, having regard to all the factors involved, it would be preferable to treat them for now

14/22

on the basis of seeking to develop common policy approaches, but with separate implementation. As co-operation in these areas progresses, consideration could, of course, be given in the NSMC, once established, to the creation of further Implementation Bodies, with the approval of the Assembly and the Oireachtas.]

(ii) Education

Education is clearly seen as having a major contribution to make to the development of the new beginning in North/South relations signalled in the Agreement. It is considered that in the following areas initially, the NSMC in its Education format would seek to develop common approaches:

- Youth Affairs
- Education for Children with Special Needs
- Approaches to Irish language Education
- Policies to Combat Educational Disadvantage
- Teacher Qualifications
- School, Youth and Teacher Exchanges
- The issue of the integration of education and training policies.

(iii) Community Development

There is a developing community and voluntary sector, North and South, and it is felt that co-operation in this area would reach and involve a wide constituency at ground level. It is recognised that particular aspects of community development are at different stages of development in both jurisdictions and that there is scope for learning from each other.

The responsible Departments, North and South, see scope, under the framework of the NSMC, for enhancing existing co-operation in such areas as:

- follow-up to the present three-year community development evaluation skills training programme;
- social inclusion, assisting disadvantaged communities;
- identification, exchange and dissemination of information on and best practices in community development policies and interventions in the statutory, private, voluntary and community sectors, possibly leading to a common policy framework on these issues;
- development of models of support structures for cross-border community development work;
- identification and consideration of common issues and lessons emerging from

15/22

- projects being funded under the EU SSPPR, and
- consideration of possible funding approaches.

As regards a possible structure through which these and other issues could be discussed, it has suggested that a "Joint Forum on Community Development" could be established which would bring together the key stakeholders in the community development field, including representatives of Government Departments, North and South, and of the voluntary and community sector.

(iv) Health

There is already in existence a large measure of co-operation in the health area between the Health Departments, North and South, as well as at the services level. In order to broaden and deepen the extent of this co-operation, it is suggested that, within the framework of the NSMC, common approaches and collaborative mechanisms could be developed and pursued in relation to the following areas:

- food safety;
- accident and emergency planning;
- professional personnel training and manpower planning;
- co-operation on high technology equipment;
- health promotion strategies;
- collaboration on drug misuse strategies;
- co-operation on cancer strategies;
- public health and bio-medical research;
- cross-border health initiatives;
- development of joint approaches on EU issues, and .
- joint civil registration of births, marriages and deaths.

16/22

(v) Environment

It is proposed that, within the framework of the NSMC, common approaches could be developed on a range of planning/co-ordination, research, promotional and monitoring functions. The following have been identified in that regard:

- environmental monitoring and environmental databases;
- state of the environment reporting (including development of environmental indicators);
- environmental research;
- environmental information and awareness service;
- co-ordination of water management planning, taking account of proposed Framework Directive on Water;
- co-ordination of waste management planning, infrastructural investment and policies and consideration of appropriate cross-border movements of wastes;
- harmonisation of environmental standards and licensing regimes;
- development of common sustainable development policies;
- an island-wide anti-litter campaign, and
- co-ordination of participation in EU and UN environmental activities, taking account of requirements arising from the position of the two Governments.

The relevant Ministers could also be charged, within the framework of the NSMC, with progressing the harmonisation of legislation, environmental standards and licensing/monitoring regimes.

(vi) Energy

Within the framework of the NSMC, there is scope for close co-operation in the following areas:

- electricity: development of single market, including through improved cross-border infrastructure and harmonisation of regulatory/legislative arrangements leading to possible establishment of a single despatching centre and single regulatory structure;

17/22

FR-

gas: consideration of all-island infrastructure needs;

- alternative energy and energy efficiency.

END

18/22

Food Safety

There is a strong commonality of food safety issues and problems, North and South, which points to the desirability of closer co-operation, whether through a new Implementation Body or through separate machinery in each jurisdiction (which, in the view of our Department of Health, would be the preferable way to proceed in the first instance). For instance, the threat from food-borne diseases on the island might be better addressed on an all-island basis. Specialised laboratory testing which is currently carried out in the UK for both jurisdictions could also provide sufficient scale to be done co-operatively.

Functions

If it were decided to proceed by means of a Food Safety Implementation Body, it could in principle carry out both (a) the promotional and research and (b) the regulatory aspects of food policy. For the latter aspect to be feasible, however, it would be necessary to harmonise the differing administrative and legal regimes, North and South, for food controls.

If it does not prove administratively possible to address the regulatory aspects in the short-term, a Body could nevertheless be responsible for the promotional and research area. In this regard, there is scope for progressing initiatives on communication of food alerts, surveillance of food-borne disease, linkages between laboratories, joint public awareness campaigns and scientific co-operation.

Structures

The model could be based on the newly-established Food Safety Authority in the South*. The Body would operate under the aegis of the NSMC in its Health format. There would be a Board appointed by the Ministers in the Council.

- * The Food Safety Authority in the South is due to become fully operational from 1 January 1999. The Authority will have a staff of about 100 people and a budget of around £10 m. As matters stand it is envisaged that, over time, all State employees engaged in food safety, include Health Board inspectors and Department of Agriculture vets, might transfer to the Authority.

END

19/22

Draft (10 November 1998)

**Implementation Bodies' Relationships with North/South Ministerial Council,
Ministers/Departments and Oireachtas/Assembly**

Agreement

1. In relation to the Implementation Bodies, the Agreement provides:

The Councilto take decisions by agreement on policies and action at an all-island and cross-border level to be implemented by the bodies to be established as set out in paragraphs 8 and 9 below. - **Strand Two para. 5 (iv)**

....the Council to identify and agree at least 6 matters for co-operation and implementation in each of the following categories.....(ii) Matters where the co-operation will take place through agreed implementation bodies on a cross-border or all-island level. - **Strand Two para. 9**

The two Governments will make necessary legislative and other enabling preparations to ensure, as an absolute commitment, that these bodies, which have been agreed as a result of the work programme, function at the time of the inception of the British-Irish Agreement and the transfer of powers, with legislative authority for these bodies transferred to the Assembly as soon as possible thereafter. - **Strand Two para. 10**

The Implementation Bodies will have a clear operational remit. They will implement on an all-island and cross-border basis policies agreed in the Council. - **Strand Two para.**

11

Funding to be provided by the two Administrations on the basis that the Council and the implementation bodies constitute a necessary public function - **Strand Two para. 15**

20/22

Proposed Approach

2. The formal agreement or agreements to be worked up by the two Governments for the purposes of establishing Implementation Bodies in the agreed areas, together with the necessary Westminster/Oireachtas legislation, will specify the Bodies' functions and structures with sufficient detail and precision to ensure that they have a "clear operational remit" and are able to commence functioning at the time of the entry into force of the British-Irish Agreement. These agreement/s, and in addition the Memorandum of Understanding on the North/South Ministerial Council, will also make clear the relationship between the Bodies and (a) the NSMC (b) Ministers and Departments North and South and (c) the Oireachtas and Assembly.

Specific Issues

3. The Bodies' **Boards** or other governance structures would be appointed for a fixed term by Ministers meeting in the relevant sectoral Council (transitional initial arrangements might need to be agreed). In principle, each side would be entitled to nominate half the members of the Board (in consultation with the other side). A possible variation upon this might be necessary if it were decided in a particular case to use a statutorily-based limited company model. A possible formal nominating role for particular interests (eg, in regard to tourism, hoteliers) could be considered on a case-by-case basis, especially if private funding were to supplement public support. In regard to Chairpersons, it might be agreed (a) that these would be considered as a package across the range of bodies (b) that there would normally be an alternation between Northern and Southern Chairpersons in respect of particular Bodies. The Council could by agreement remove any member of a Board.
4. The Council, at its first meeting in each relevant sectoral format (eg tourism), could consider whether to issue **policy guidelines** supplementary to what was contained within the founding agreement, to the Body operating in that area. Such guidelines could from time to time be supplemented or amended as the Council decided.
5. In addition, each Body might also be required to prepare a **rolling multi-annual**

21/22

FRU

- strategic plan**, setting out its overall priorities and objectives, for approval by the Council. It would also submit an **annual report** to the Council outlining its progress in the fulfilment of this plan, which could be modified/updated in the light of developments. The strategic plan and annual reports would in turn be laid before the Oireachtas and Assembly respectively by the relevant Minister in each jurisdiction (eg, the Minister for Tourism, Recreation and Sport and his/her Northern counterpart).
6. Board members or senior officers of a Body might be requested to attend, or supply information to, a **meeting of the relevant sectoral Council**.
 7. There would be ongoing close contact (eg, during the preparation of the strategic plan and annual reports) between the Body and officials of the North/ South Ministerial Council's Secretariat and officials of the relevant Departments North and South.
 8. The relevant Ministers would be **politically accountable** to the Oireachtas and to the Assembly, respectively, in regard to the expenditure of public money by a Body and its discharge of any statutory functions, to the extent that convention and practice within each jurisdiction in regard to Ministerial accountability for public bodies generally would dictate.
 9. The Board or officers of a Body could be required or requested to appear before a **committee** of the Assembly or the Oireachtas, in accordance with the relevant legislation/conventions in place within the two jurisdictions in regard to public bodies generally.
 10. Agreed arrangements will need to be developed in respect of **fair employment/employment equality, freedom of information, data protection, ombudsman investigations and codes of practice/ethics**. In addition, if and where a Body might potentially enter into dispute with individual citizens, suitable **dispute resolution** mechanisms will need to be agreed.

22/22

11. Possible financial, accounting and audit arrangements are the subject of detailed technical discussion between the Department of Finance and the Department of Finance and Personnel. Specifically in terms of financial reporting and accountability, it is envisaged that audits might be performed jointly by ~~the Comptrollers and Auditors-~~ General North and South, with joint certification of accounts. Audit reports and accounts would be submitted to the Council. The relevant Ministers would in turn lay them before the Dáil and Assembly respectively.

END