

R14/98

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*McAuley* 23/11  
*McGuinness*  
*Jaggle*



FROM: J R FISHER  
ANGLO-IRISH SECRETARIAT  
20 November 1998



See Distribution List Below

*Handwritten notes:*  
In my note to Bell re Donoghue, I referred to Sean's: 'James' and the proceedings are more likely to be discussed by a meeting on 9/11 the day after 2/12. I have asked some funding on street needed.

**NOTE FOR THE RECORD**

**SECRETARY OF STATE HAS DINNER AT MARYFIELD**

The Secretary of State came to dinner at Maryfield on 17 November. The Irish side comprised Mr Donoghue, Mr Dowling (whom the Secretary of State saw as a disguised Sean O'hUiginn), Mr Keown and Ms Williams (all DFA). Mr Bell and Mr Perry were present on the British side. At the quiet end of the table was Mr O'Donnell (Department of Justice) and Mr Fisher.

**SUMMARY**

2. Good craic, not least because sustained efforts by the Irish side to elevate a social occasion to a business session was not as successful as they had hoped. Wide range of issues covered but not in any great depth and the Secretary of State did not raise to the Irish bait on post Maryfield accommodation. Some agreement and understandings reached on wider North-South issues, with the evening cut short by the Secretary of State's earlier than scheduled departure.

3. Still recoiling from the disappointment that further progress had not been achieved that day by the Irish Side and the UUP over establishing **North/South Implementation Bodies** (and the UUP linking progress with decommissioning), little comfort offered to the Irish side by the Secretary of State who did not, for instance, concede that the Government would want to consider (at this stage and ahead of the Prime Minister's visit to Dublin later this month) a time-table for resolving these issues. Neither were Irish Side

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hopes that a statement by General de Chastelain (explaining that the issue was being progressed in accordance with the Agreement but that more political progress was needed before actual decommissioning might become achievable) given particular encouragement. Further, and persistent Irish Side concerns expressed over the preparation (and alleged favouritism in distribution) of Implementation Body assessments for the First and Deputy First Minister were also met with a cold (almost lemon sorbet) response. There was an agreed need for the British and Irish Governments to **work together** (but not overtly so) to bring together the UUP and Sinn Fein and not to regard any faction as their own particular clients. On Sinn Fein, the Secretary of State commented that their part in the Donegal Celtic affair had played into the hands of Unionists. And she remained aware of the hard wing element of the IRA and 'problematic' nature of the present ceasefire. By contrast, the Irish side showed little interest in the present political pressures on the UUP leadership. By contrast the Secretary of State warmly praised Mr Mallon for his integrity and gave him credit for having kept the present process in being for the past two months. What, it was agreed, was needed was a parallel transfer of powers to the NI Executive **and** (not just 'a programme for decommissioning' as proposed by Mr Donoghue but) **actual** decommissioning to begin.

4. Of predictable interest to the Irish side was the planned **Security Strategy Paper** and the Secretary of State explained (in French) that full account was being taken of Irish views with specific changes in four areas of drafting to produce a document over which both Governments could stand, with (Irish translation) publication next month.

5. Slightly less successful was Mr Donoghue's endeavour to persuade the Secretary of State (or at least persuade the Secretary of State to persuade Mr Trimble) that the Irish contingent might, for purely residential purposes, remain at **Maryfield** for a short period - given fears in Dublin for the safety of Irish Side staff (the murder of Brian Service and Red Hand Defenders were mentioned). Explicit in the Secretary of State's response was an acknowledgement of the importance of staff safety and that the Windsor House accommodation now identified as the future home for the Secretariat was not in all respects ideal; equally clear was the Secretary of State's expectation that the Irish Side would vacate Maryfield for residential purposes early next year. *(NB: This was not a response the Irish*

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*Side had hoped for - Mr Donoghue later characterised the Secretary of State's response as 'irresponsible' - but it was a very helpful one to the British side).*

6. On the **Westminster** scene, progress on the NI Bill was logged up, as was the genuine lack of bi-partisan and support for the Government by the main Opposition on many aspects of the Belfast Agreement. But, however tedious Tory tactics were (and both the Secretary of State and Mr Donoghue reflected on the personalities involved), releasing prisoners in the absence of decommissioning was an increasing political liability across the water.

7. Of particular interest to the Secretary of State was the situation which would arise with the South adopting the **Euro** when the UK remained outside these arrangements, and its North/South business impact. These were matters which could no doubt be overcome to their own profit by the banking sector but only at a cost to commerce and industry, (especially **small** business, not to mention North/South co-operation generally). It was **agreed** that the two Governments working together might seek out other financial solutions, although it was not easy at this stage to see what they might be. The names of some individuals who it was thought could bring expertise to bear were mentioned.

8. And a wide range of other economic topics were discussed during the evening including the introduction of a **Ryanair service to Derry** (Irish Side undertaking to look at possible £1m funding); the proposed **Northern Ireland/Scotland gas interconnector** which could be used to supply the South as well as the North/West (the future of **Coolkerragh** power station and supply of electricity to Donegal mentioned); **broadcasting** (raised by the Secretary of State during her visit to Dublin on 23 September and a paper awaited from the Irish side); the **Millennium Bug** (Irish Side interest in joint contingency planning and opportunity presented by the Prime Minister's Dublin visit to raise public awareness); the **digital corridor** (need for officials to meet); and **EU funding for NI** (Objective One status for NI or a comparable level of funding being sought). *(NB: Given the importance rightly attached by the Secretary of State to these items, many arising from her September visit to Dublin, it would be desirable for the AIS/Central Secretariat (**Mrs Brown**) to review progress as a matter of urgency.)*

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9. The dinner was cut short by the Secretary of State's need to speak to No. 10. The British side were also sorry that Irish insistence on making the visit, despite warnings, an overly business one may have encouraged the Secretary of State to prefer touring the kitchen, (nicer people, better craic) but what she said by way of appreciation to the staff - and a firm invitation to dine at Hillsborough Castle - was well received.

Signed:

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