

PERSONAL AND CONFIDENTIAL

26 MAY 1994

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PSE 315/94

Mr Whitlaw

Mr Ford

Mr Radcliffe

Mr Mackenzie

Mr Hamilton

Mr Cowan

Mrs Brown

NORTH/SOUTH STRUCTURES

Please see David Watkins' note of 23 May.

I would be grateful for your suggestions (see para 8) of functions which might be suitable for executive action, harmonising action and North/South consultation.

A response by 31 May would be most helpful.

Could I underline the political sensitivity of this work and the need to treat this minute on a personal and confidential basis.

R B SPENCE

25 May 1994

Seastony

Thre is nothing on my side which falls into any of the categories.

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ROM: D J WATKINS

US CENT SEC

DATE: 23 MAY 1994

CC: PS/PUS (B&L) - B

PS/Mr Fell - B

Mr Thomas (B&L) - B Mr Bell - B

Mr Williams - B

Mrs Brown - B

NI Permanent Secretaries

NORTH/SOUTH STRUCTURES

- 1. As you will be aware, the political development process which began in March 1991 encompasses three sets of relationships known as the three Strands - which need to be catered for in any future political settlement. These three Strands are: first, the relationships within Northern Ireland; second, the relationship between North and South; and, third, the relationship between the British and Irish Governments.
- My interest at this stage is focused on Strand II the North/South relationship - looking at the possible form and responsibilities of a North/South body (or bodies). You will recall, or may be aware of, the contacts which Central Secretariat had with Departments in 1992-93 when work was being undertaken to identify areas of your responsibility where North/South co-operation could bring benefit. I am now anxious to review the position of each Department in the light of further work which has been carried out in interim.
- A number of possibilities has arisen from this work, including 3. a range of forms of co-operation and classifications. Adopting one set of hypotheses, one might envisage a three-tier arrangement of North/South working, with functions designated to the most appropriate tier, as follows:

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executive tier - where the (or a) North/South body would determine the executive action needed to discharge the designated functions on an agreed basis in the two jurisdictions or might have powers and resources to provide it directly;

harmonising tier - where the North/South body would seek to harmonise policy and implementation in the delivery of the designated functions in the two jurisdictions;

consultative tier - where the North/South body would be the forum for discussion of aspects of the designated functions which were of concern to either jurisdiction.

- 4. This arrangement would allow for the fact that the appropriate form of action would differ according to the functional area in question. That would mean for example that, while executive action might be appropriate in respect of some functions, it would not be so in others; similarly, harmonisation might be the best way forward in some areas but in others the most sensible form of North/South co-operation would be purely consultative. Equally, categorisation of functions might be varied over time, in any direction.
- 5. We are keen to re-examine all areas of Departmental responsibility to determine which might be suitable for North/South contact and then, in considering those functions identified, to determine the tier into which each might be slotted.
- 6. We are still very much in the exploratory stages of this work, but do need to move forward so that, by the time political talks are in prospect again, we will have some firm proposals to put on the table for consideration by the Northern Ireland Constitutional Parties. To enable us to get to that position,

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- we need to carry out some detailed work with Departments to test the feasibility of proposals for North/South working.
- As this indicates, we will be concerned to ensure that any proposals put forward are workable; we would not want to propose a function if it was clear that the form of North/South treatment proposed would simply not be sensible or beneficial. On the other hand, the Government is committed to identifying scope for North/South working. The Joint Declaration of 15 December 1993 stated that "The British and Irish Governments will seek, along with the Northern Ireland constitutional parties through a process 'of political dialogue, to create institutions and structures which, while respecting the diversity of the people of Ireland, would enable them to work together in all areas of common interest." In view of this, the expectation is that we will identify a significant range of functions which will prove suitable for some form of North/ South working and that these will include functions appropriate for North/South executive action in addition to those suitable for harmonisation or consultation.
- 8. In order to take the first step in our re-examination of the functions of Departments, I would ask you to identify for me, from the areas of responsibility covered by your Department, at least two functions suitable for executive action, two suitable for harmonising action, and two suitable for North/South consultation. Obviously, if you can suggest more than two in any category, I would be glad to learn of them.
- 9. I would then plan to visit each Department, accompanied by Doreen Brown, to discuss the list of functions which you will have identified so that aspects of workability can be explored further. You may wish to ask your liaison point identified in 1992 to carry forward this work.
- 10. I would appreciate a reply by Friday 3 June at the latest.

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As you will appreciate, this is a politically sensitive area of work, and I would ask you to ensure that, at this stage, it is treated as a highly confidential matter, and the copying and distribution of this minute handled accordingly.

My ..

D J WATKINS

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