

(British draft - 23 January 1998)

STRAND 2: POSSIBLE NEW NORTH/SOUTH ARRANGEMENTSA paper to facilitate discussion, presented by the British [and Irish] GovernmentsIntroduction

This paper has been drawn up [by the two Governments] at the request of the political parties engaged in the multi party negotiations. It is intended to facilitate open and meaningful negotiation, initially at the Strand 2 meetings in London on 26-28 January, by identifying what seem to be the key issues requiring decision in Strand 2. For their part of course the [two Governments] remain committed to the positions set out in the Joint Declaration and in the New Framework for Agreement. (Parties will recall that the latter offers, particularly in paragraphs 24-38, an account of how North/South institutions might operate, in the hope that this would assist discussion and negotiation. Paragraph 13(b) summarises the two Governments' view of the part which North/South institutions might play in contributing to an overall settlement) It is of course accepted that each of the parties may wish to contribute other ideas and options to the discussions.

The Strand 2 participants may wish, at the outset of the Lancaster House meetings, to consider allocating blocks of time over the period 26-28 January to the discussion of each main issue identified in this paper. The two Governments have also announced their intention to convene a Strand 3 liaison meeting during that period, which will allow participants to have an initial discussion of other aspects of the British/Irish Agreement mooted in the *Propositions on Heads of Agreement*, some of which may have a bearing on the parties' attitudes to points covered in this paper.

The paper takes as its point of departure the relevant elements of the *Propositions on Heads of Agreement* tabled by the British and Irish Governments on 12 January. They were themselves intended to provide a basis for debate and discussion but they offer an outline of what might be a generally acceptable outcome to the talks process. The various elements of it each need to be considered in detail, but in doing so the [two Governments] would urge the parties to bear in mind at all times that any ultimate agreement will need to strike a generally acceptable balance across all the points covered in the *Propositions* text.

Relevant elements of the *Propositions on Heads of Agreement*

The *Propositions* envisage:

"A new British/Irish Agreement to replace the existing Anglo-Irish Agreement and help establish close co-operation and enhance relationships, embracing ...[inter alia]

- a North/South Ministerial Council to bring together those with executive responsibilities in Northern Ireland and the Irish Government in particular areas. Each side will consult, co-operate and take decisions on matters of mutual interest within the mandate of, and accountable to, the Northern Ireland Assembly and the Oireachtas respectively. All decisions will be by agreement between the two sides, North and South
- suitable implementation bodies and mechanisms for policies agreed by the North/South Council in meaningful areas and at an all-island level"

The [two Governments] believe that agreement on the establishment of North/South structures will be essential as part of an overall settlement. The purpose of this paper is to facilitate discussion on what those structures should do and how they should be composed. Participants might wish to address the following key questions.

1. Is there agreement that formal North/South structures are required? If so, what broad purpose or purposes should they serve?
2. Is there broad agreement that there should be a North/South Ministerial Council? If so, what should be its composition, legal status and source of authority?
3. What should be the role and function(s) of the Council? What matters might fall within its remit? Is there a case for seeking to agree a categorisation of those matters, with the Council having a different role in respect of each category? How might such categories be agreed and amended?
4. How might the Council operate? What arrangements might be made as to membership, decision taking, resolving disagreement? What arrangements should there be for accountability to democratically - elected institutions in Northern Ireland and the Oireachtas?
5. Is there broad agreement that there should be implementation bodies and mechanisms for policies agreed by the Council in meaningful areas and at an all-island level? How might such bodies and mechanisms be established, funded and held accountable?
6. What might be the relationships between the Council and other political institutions (apart from those in Northern Ireland and the

Oireachtas)? What role might it play in respect of the EU dimension of matters within its remit?

7. How might the Council and the associated implementation bodies be funded? What administrative support might the Council need? Could there be a role for a joint body to bring together members of any Assembly in Northern Ireland and the Oireachtas?

8. What arrangements might need to be made to sustain co-operation and enhance relationships within the island of Ireland if formal North/South structures were not established or failed to operate as intended?

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This may of course have been the work of the UVF, who have never had a ceasefire. But it means that any sense of relief at the UFF statement is diluted straight away.

Mo has put out the attached statement this evening, making clear that the UDP's position in the talks is now in serious jeopardy, and looking forward to discussion among the parties about this on Monday. I think it gets the balance about right. It is very hard to see how the UDP can now stay in the talks, or at least how we can support their continued presence in the talks. Mo is still working hard on them to produce a better statement than the one attached, as you asked.

You may like to see the relevant extract from the talks rules. One of the problems is that the Irish continue not to want the UDP thrown out and, as I read the rules, we need their agreement to throw them out. The argument on Monday could also be complicated - eg if the UFF have admitted going back to violence, but now say they are once again on a ceasefire, where does that leave us? If we think the UDP should be thrown out now, how long would they have to wait before we could re-admit them, assuming the UFF keep their promise to refrain from violence?

In the talks themselves, discussions have continued between us and the Irish on a possible Strand 2 paper. Both sides now accept that there is no chance of agreeing a substantive paper, given problems with Sinn Fein on one side and the UUP on the other. But both the Irish and the NIO are insisting that we must produce something for the talks, as we promised to do so, and some kind of focus is in any case desperately needed. Work is