152/96

P S Wilkinson PS/Mr Ingram 1 July 1997

From

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cc: PS/Secretary of State (B&L) - O PS/Mr Ingram (DED, B&L) - O PS/Mr Murphy (DFP, B&L) - O PS/PUS (B&L) - O PS/Sir David Fell - 0 Mr Loughran Mr Thomas - O Mr Steele - O Mr Leach - O Mr Stephens - O Mr Watkins - 0 Mr Beeton - O Mr Brooker - 0 Mrs Brown - O Mrs Collins - 0 Mr Lavery - O Mr Maccabe - 0 Mr Perry - O Dr Power - O Mr Smyth - O Ms Bharucha - O Mr McIlroy - O Mr Tebbit via RID Mr Lamont via RID HMA, Dublin Mr Warner - O Mrs Osborne - O

Mr Bell - O

COURTESY CALL ON MR INGRAM BY THE IRISH SECRETARY, MR DONOGHUE TOMORROW

The Minister was grateful for your briefing for his meeting with Mr Donoghue on 1 July. You and I were present throughout.

Mr Marsden - O

2. The purpose of the meeting was for Mr Donoghue to make a courtesy call on the Minister. As Mr Donoghue had to leave promptly after 20 minutes, in order to meet the Taoiseach on his arrival in

Norman Ireland, Mr Donoghue made a fairly rapid run through the issues, the most significant of which were: North-South Co-operation and the prospects for Drumcree.

## North-South Co-operation

3. Mr Donoghue said that he was pleased that the Government had placed particular emphasis on North-South co-operation in the economic sphere. The IGC was an important forum in which to consider such co-operation but, between meetings of the IGC, officials of the British and Irish Governments also carried out detailed discussions of the issues. Mr Donoghue was curious as to how the Governments' commitment to North-South co-operation would work in practice. The Minister replied, saying that there were a number of aspects to North-South co-operation: guidelines still had to be established; and it was not the Minister's role to interfere in individual departments' work. Rather, work in this area must be organic. For example, the Government must look at projects which could be exploited and from which secondary benefits would follow. The Minister said that he intended to focus on this issue once the marching season was out of the way. The Minister would, in this context, be making visits to the various economic regions in Northern Ireland.

4. <u>Mr Donoghue</u> said that the Irish Government favoured North-South co-operation which brought about economic benefits. The Framework Document had sketched out the prospect of bodies which would operate in this area. There were both practical and political aspects to North-South co-operation. If, in the future, the Irish Government was to ask Northern Nationalists to accept changes in the Irish Constitution - as part of an overall political settlement - we

milting them to see the benefits which they were getting in other areas; and we must highlight the tangible economic benefits of North-South co-operation. The Irish Government would feel "edgy" if there were no tangible gains from North-South co-operation. Mr <u>Donoghue</u> said that, for Unionists, in the field of North-South cooperation there were some areas in which there was a consensus that there were benefits since, for example, the Irish Government led on the issue of promoting tourism to the whole island of Ireland and benefits from this promotion flowed to Northern Ireland. Other areas were more tricky and Unionists were less supportive. <u>Mr Bell</u> said that confidence could be engendered in the area of North-South co-operation by instituting projects in which the immediate tangible benefits were evident.

5. <u>Mr Ingram</u> said that there could be benefits in promoting significant investment in job creation, similar to the Seagate project recently announced in Londonderry. This was an example of an area in which, perhaps, joint initiatives could be taken by both the British and Irish Development Boards since finding enough technicians to staff jobs created by such investment might be difficult for either territorial jurisdiction alone. The question foremost in the Minister's mind was how to ensure that the "border issue" could be neutralised in people's minds. <u>The Minister</u> thought that it was not so important to assuage the fears of Nationalists as it was to assuage the fears of the Unionists in the area of North-South Co-operation.

6. <u>Mr Donoghue</u> said that cross-border co-operation was not just a matter of encouraging co-operation between the border areas but also encouraging co-operation between the two parts of the island of Ireland as distinct entities.



7. <u>Mr Donoghue</u> said that he had got the impression that not all hope was lost in terms of trying to find local accommodation between the parties involved in the Drumcree issue. <u>The Minister</u> agreed and said that every effort was being thrown into trying to achieve local accommodation. No decision had yet been taken on what would be done if such accommodation was not reached. The Secretary of State was in the lead on this issue.

8. <u>Mr Donoghue</u> said that there was speculation around that the Army was "measuring Garvaghy Road" in order to determine where "bollards" should be placed. <u>The Minister</u> said that he could not confirm this speculation. In terms of the operational deployment of the RUC and Army personnel, obviously those organisations had to plan for all eventualities. Such planning was a matter for the Chief Constable. Any planning that was being undertaken was being carried out without prejudice to the decision on Drumcree which had yet to be taken by the Chief Constable and the Secretary of State. <u>The Minister</u> declared himself to be a natural optimist with respect to the way that the situation would resolve itself.

9. <u>Mr Donoghue</u> thanked the Minister for seeing him and invited him to dine at the Secretariat. (Action: Mr Marsden to arrange, please.)

## PS Wilkinson

**PAUL WILKINSON** PS/Mr Ingram