Europe (CAP)

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EXTRACT FROM MEETING NOTE PM's PM FRANCE AT THE MATIGNON
19 SEPT 1980

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30 May Budgetary Agreement

M. Barre said that although agreement had not yet been reached on the regulations to implement the agreement on 30 May, he thought it should be possible to find a solution without difficulty.

The Prime Minister said that if the budget agreement was not being implemented by the end of 1980, this would cause major problems within the Community.

Sheepmeat

M. Barre said that France was ready to accept the European Commission's proposals on sheepmeat which Mr. Gundelach thought would deal satisfactorily with all the outstanding problems. France's concern was to avoid a diversion of trade between Great Britain and France in favour of New Zealand. Such a diversion of trade would occur if Britain sold on the continental market New Zealand sheepmeat in a way which was "independent of the normal currents of trade." The Commission were ready to propose the implementation of Article 115 of the Treaty of Rome to prevent such a diversion of trade. For the rest France fully accepted the result of the negotiations between New Zealand and the Community on tariffs and quantities.

The Prime Minister said that she did not understand how New Zealand sheepmeat might distort the normal patterns of trade within the Community since it normally arrived when there were few British lambs on the market. She too saw no reason why the problem of New Zealand sheepmeat should not be finally settled now that the Commission had obtained the agreement of most Members of the Community on the tariff.

Zimbabwe and the Lome Convention

The Prime Minister said that Rhodesia had originally had an annual quota of 25,000 tonnes of sugar under the Commonwealth Sugar Agreement. Zimbabwe was now seeking a

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