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CABINET
DEFENCE AND OVERSEA POLICY COMMITTEE

THE COMMON FISHERIES POLICY: NEXT STEPS

Memorandum by the Minister of Agriculture, Fisheries and Food and the
Secretary of State for Scotland

1. Negotiations on the Common Fisheries Policy (CFP) will resume next month. In this paper we suggest the line we should follow.
2. Objectives The Government has defined these as:-
 - a) a comprehensive conservation regime;
 - b) a control system enabling the UK to police our own waters;
 - c) an adequate zone of exclusive access;
 - d) a further considerable area of preferential access;
 - e) a very substantial share (quotas) of the available catch.
3. Hitherto the UK has negotiated on the basis that the CFP must be settled as a whole, not piecemeal. This line may now no longer be in our best interests: so far as conservation is concerned, it may be prudent to take this first, without prejudicing our other objectives.
4. Conservation Unless there is effective conservation, fish stocks will go on declining. In the absence of adequate Community measures, the UK has acted unilaterally. Following our measures of 1 July, no further major action remains to be taken and, for the first time ever, an effective conservation regime now operates within our fishery limits.
5. Our right to take those measures and the legality of a number of them has, however, been contested by the Commission and other member states. Action is proceeding before the European Court. Although the outcome is uncertain, some of our measures may be quashed and our ability to act nationally in future may be curtailed or even eliminated. The first, albeit minor, case before the Court has just gone against us. We have extracted all that is possible - both tactically and of substance - from unilateral conservation action. There is a case for getting what we have already won consolidated into a comprehensive Community conservation regime before our position starts to be undermined. This would:-

- a) ensure that fish stocks in our waters would be protected even if other aspects of the CFP remained unsettled. This would help us sit out a confrontation if we had to;
- b) supplement our own measures by a more extensive Community regime;
- c) show that our policy was not to obstruct all progress on the CFP (see below).

6. We do not expect that our objective on control should present any serious problems. If we got comprehensive conservation, two of our objectives would have been secured without loss of negotiating leverage. That would leave the interrelated objectives of access and quotas to be resolved.

7. Bilaterals Talks with the Fisheries Ministers of all but France have shown that they want the CFP settled, are encouraged that we should genuinely be looking for a solution and recognise that there must be some movement to meet our requirements. Their general election has hardened Danish attitudes - but we hope that should be temporary. The French alone, quite deliberately, are taking a very hard line. They have rejected bilateral talks and have got perilously near to inciting their fishermen to defy our recent conservation regulations. If, as seems clear, their intention is to raise fish at the Summit we cannot stop them. For our part, fishing must be decided on its own merits.

8. Talks with the UK fishing industry Although there are differences of emphasis, the greater part of the industry is prepared to accept a reasonable settlement if one could be got soon: there is increasing anxiety about the uncertainty of the current situation. The industry supports our objectives, but our negotiating tactics must be explained to them. We will remain in close and continuing touch with them.

9. Prospects of settlement The French apart, there is general agreement among other Ministers and the Commission that it is not feasible to settle all outstanding issues at a single Fish Council. There will have to be hard and sometimes pretty technical negotiations - but a solution should be possible. Accordingly, they wish to avoid building up false expectations of the October Council and prepare for a series of meetings running well into next year. It is important that worthwhile progress is made in October and that we play a constructive part. Conservation

offers the best possibilities. To secure a comprehensive and agreed regime we should explore the possibility of accommodation with the Danes on the pout fishery and perhaps with the French on mesh sizes for crayfish.

10. They agree also that to open the way for settlement the Commission will need to table a new negotiating document. They have indicated that they can accept some improvement in UK quotas and that we can expect to make progress towards an exclusive zone, provided that in relation to historic rights we negotiate their termination, phasing-out or, in some cases perhaps, continuance in a controlled form.

11. On the matter of preferential access for the coastal state beyond the exclusive zone, it will be difficult to obtain concessions. On the other hand, what matters to the industry is the ability to catch fish. This objective could be achieved by, for example, preference related to particular local communities, preference in quota shares, or combinations of these.

12. We must firmly hold that access and quotas cannot be settled separately. This goes for third country as well as Community fishing - a consideration that could give us some negotiating leverage. This is because third country fishing agreements are more valuable to other member states than to the UK. We could, if we needed, put pressure on them by blocking the agreements for 1980. We should keep this option open.

QUESTIONS FOR DECISION

13. Our objectives on quotas and access are likely to be negotiable only on the basis described in 10 and 11. From the discussions which we have had with the industry, we believe that this could provide an acceptable basis for negotiation. It should also ensure a viable UK industry of about current size but changed structure and provide prospects of future growth as stocks recover. We invite our colleagues to agree:-

- a) that we should aim to negotiate a settlement on that basis in the first half of 1980;
- b) that, in any case, we should now seek progress on a comprehensive Community conservation regime;

If colleagues accept one or both these propositions:-

- c) that we should inform the Commissioner and seek to influence his preparations for the Fish Council accordingly;
- d) as regards a conservation regime, that the Fisheries Ministers should have discretion to reach accommodations with the Danes and the French if necessary to secure a comprehensive package.

P W
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Ministry of Agriculture, Fisheries and Food
18 October 1979