

CONFIDENTIAL

PRIME MINISTER

Community Affairs

The Minister of Agriculture might be invited to report on the outcome of the 12th-13th November Agriculture Council. The French showed signs of being anxious to come into line on sheepmeat before the Dublin European Council, and made a number of concessions designed to facilitate agreement on a sheepmeat regime, without seeking any counterpart from the United Kingdom. It may thus be possible to exploit this position in your talks with President Giscard. The debate will resume in the December Agriculture Council. No decisions were taken on structures and wine, which will also come back to the next Council.

2. Immediately before Cabinet, the Ministerial Sub-Committee on European Questions (OD(E)) will have discussed a paper from the Secretary of State for Energy on the scope for a strengthened Community response to an oil sub-crisis and the possibility of relaxing the Government's present restrictions on long-term oil supply contracts. Both issues will be considered from the viewpoint of their potential value in the context of the discussion of our budget problem at the Dublin European Council. The results of the OD(E) discussion could therefore be reported at your meeting later in the day rather than aired in Cabinet.



(Robert Armstrong)

14th November 1979