



From the Minister

MINISTRY OF AGRICULTURE, FISHERIES AND FOOD
WHITEHALL PLACE, LONDON SW1A 2HH

Prime Minister

(2)

CONFIDENTIAL

The Rt Hon Margaret Thatcher MP
10 Downing Street
London SW1A

Mr Walker mentioned this letter to you after Cabinet to-day. The exchange would seem to demonstrate that both sides have points. Given that the FCO & the NIFF are unable to agree, I rather doubt whether a decisive assault can be launched on the Opposition. As that as it may, 15 January 1981 Mr Walker is evidently determined to try!

John Gilmour

15/1

REVISION OF THE COMMON FISHERIES POLICY

THE 'HAGUE AGREEMENT'

I have now seen the note forwarded by Ian Gilmour's private secretary in response to your request of 15 December. This seems to be directed mainly towards setting out the reasons that led the previous government to act as they did at the Hague. While this is useful I think we must conclude that much of their thinking was mistaken, and we must say as much vigorously at the right tactical moment. There are already signs that the bipartisan approach on fisheries is breaking down and we need to have ready marshalled arguments showing that many of our present difficulties on fisheries are the responsibility of the previous administration.

The main criticism of the previous government is perhaps that in paragraph 2(ii) of my memorandum, namely that they agreed to extend United Kingdom fishing limits - which action was of considerable benefit to all member states and which, therefore, should have had a significant 'leverage' in the Community - without securing a satisfactory settlement on the many other points of concern to our fishing industry. I note that the FCO paper does not touch on this point nor on those set out at (iv), (v) and (vii) of paragraph 2 of my note of 12 December.

Point (iv) of my note on the Irish preference is particularly instructive. As a direct consequence, the latest compromise proposals on quotas offer the Irish Republic 4.0% of the catching opportunities available to member states as compared to their historic average of well under 2%. These fish have to come from somewhere and much of it has to be given up by us notably, because of the local pattern of fishing, by the section of the United Kingdom industry located in Northern Ireland. The net

effect on the Northern Irish fishing industry of the 'preference' secured for Northern Ireland on the one hand and the Irish Republic on the other is therefore to grant them significantly smaller opportunities than they have enjoyed in recent years. It is not easy to explain to those concerned that a 'preference' results in a loss of opportunities nor why Northern Ireland should be penalised to favour the Republic and I can only regard the previous administration's action in accepting this situation as irresponsible.

I have the following other comments on the FCO paper:-

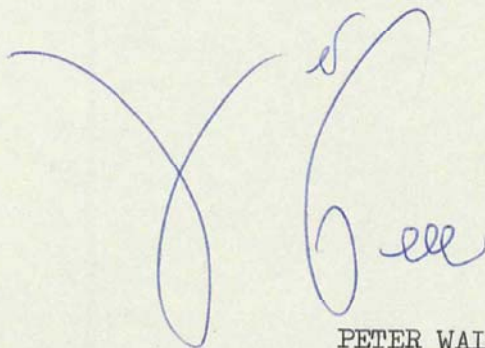
(a) of course there is no dispute that extant Community rules inhibited our freedom of action to limit or exclude EEC vessels from United Kingdom waters when extending our limits and I never claimed otherwise. However this does not explain why we did not use extension as a strong bargaining counter as I suggest in paragraph 2 above;

(b) it is not true that the 'Hague Agreement' established the 'principle' that member states should be responsible for enforcement of a CFP conservation regime within their own limits. This principle has always been assumed to be valid and so far as I am aware has never been questioned by anyone;

(c) Annex VI of the 'Agreement' did not give member states the right to adopt unilateral conservation measures. On the contrary it placed inhibitions on a right they already possessed (and exercised). As a direct consequence of its adoption United Kingdom conservation measures taken after the 'Hague', which could not possibly have been challenged otherwise, have been held to be unsatisfactory solely because we failed to fulfil properly the procedure set out in that Annex. Assertions about the legal position of conservation measures adopted between 31 December 1978 and 1 October 1980 are premature since their status is currently under review by the European Court. However it is quite clear already that we did not gain any extra freedom of manoeuvre because of the existence of Annex VI.

It follows that from a political point of view I am sure that at the right time we should make full use of the line advocated in my earlier note.

I am copying this letter to Sir Ian Gilmour and Sir Robert Armstrong.

A large, stylized handwritten signature in blue ink, consisting of a large loop on the left and a more complex, cursive-like structure on the right.

PETER WALKER