

CONFIDENTIAL

PRIME MINISTER

Prime Minister.

Top Copy on
Fishing: Pt 4
CFP

French fishing industry would
like agreement.

? No intention of dropping
Boulogne boats of a wing?

REVISION OF THE COMMON FISHERIES POLICY

1 We decided in OD this morning that there were merits in seeking a link between fisheries and CFP prices since otherwise there seemed little prospect of securing a deal on fisheries acceptable to the catching industry or to Parliament. Any deal on fish generally considered to be a defeat for us would be very damaging especially since we as a government have always made clear the importance we attach to it.

2 It might be helpful for you to have, before tomorrow morning's briefing meeting for the summit, my assessment of recent negotiations on the CFP and on the current position in the light of the political realities.

3 When we first took office I found that fisheries conservation was the source of much friction in the Community and national measures adopted by the United Kingdom the subject of extensive criticism. In fact the scientific evidence strongly supported our actions. However, in order to get negotiations moving I was able by making relatively minor concessions to the French and the Danes, (to which, however, they attached considerable presentational significance), to enable an overall agreement to be reached on a very satisfactory Community conservation regime which has now been in operation for many months. I therefore showed our willingness from the outset to meet the French at least halfway in order to reach a comprehensive agreement for the benefit of all.

Give way to smaller net.

4 Similarly on total allowable catches (TAC's) I was able last year to get matters forward by compromising to some extent on our basic position that the figures should be in line with the scientific advice. Minor adjustments to the figures on some stocks of interest to the French enabled an overall agreement to be obtained. I have indicated that I am prepared to be similarly flexible this year to

enable French and other demands for herring TAC's to be satisfied even though they run counter to the strict scientific advice.

5 However the really major CFP issues are quotas and access which we have always maintained will have to be settled together.

Quotas are certainly the more important in economic terms. On this

aspect we have also negotiated constructively having regard to the

need to reach an overall solution. At the Council meeting last

December discussion was firming up on the basis of figures that I

recognised could not be accepted by the French. Rather than take

the opportunity of seeking cheap gains for the United Kingdom, -

which would of course only have been temporary and not have been

sustainable - we intervened to help the French out of their difficulty

by pointing out the real problems they had. As a result the

compromise now on the table is a good deal for them, - and also for

us.

6 Politically however the most sensitive CFP issue is access on which we were committed, when we took office, to securing an adequate

zone of exclusive access and a substantial area of preference beyond.

Over the past several months I have un-remittingly explored with

Ministers from the other member states the basis for a mutually

acceptable deal. Inevitably I have had to make concessions especially

to the French who we must recognise have a legitimate and long-standing

interest in our waters.

7 One major component in the access dossier is the 12 mile limit.

The arrangements inside 12 miles in any case come up for renewal in

1982 under Article 103 of the Act of Accession. It is apparent to

me from my discussions with the fishing industry's leaders that it

is politically vital to secure a more restrictive regime inside 12

miles than exists at present. Recognising French interests, I have

made considerable efforts specifically with the French and with the

other Ministers concerned to explore the possibility of member states

retaining those access rights in our 6-12 mile belt that are really

vital for them and giving up the others. I have made considerable

progress with many of my fisheries colleagues, but the French, despite

occasional seeming hesitations, have so far refused to contemplate

(Fr. 85% of fishing is in S.W. - M² historic rights granted
Interim of Scotland - within 6-12 precautionary rights Bonus - mostly
sole own waters)

any but the most minor changes to the present regime. At the last Fisheries Council the Presidency proposed that from 1983 the exercise of rights in the 6-12 mile belt should be limited to those that were held before our accession to the Community, except that new rights acquired at accession could be exercised if it could be shown that this was necessary for a member state to take its quota. In my judgement this represents the absolute ^{necessity} minimum we could contemplate accepting. If we were to do so we would need very clear understandings on how it would be interpreted in practice. However the French have explicitly rejected even this compromise.

8 Outside 12 miles, having examined the possible effects of our demands on other member states, I have limited them to areas off North Scotland and Northern Ireland where the local communities are critically dependant on fishing and therefore meet (as the Commission acknowledge) the criteria for special regions included in Annex VII of the Hague Agreement. In these areas I have proposed that preference be provided by limiting fishing to vessels under a certain size. Alternatively I have indicated a willingness to consider a system of restrictive licensing. These positions represent a very significant toning-down of the demands put forward by the last administration - a toning down of which the industry are well aware - and are again, in my judgement, as far as we could go politically taking account of the pressures, especially that of Scottish nationalism. The Commission have proposed a zone of "surveillance" at North Scotland only in which there would be unrestricted licensing of larger vessels. This does not go far enough to meet our needs. The French have simply refused to contemplate any meaningful restrictions outside 12 miles.

9 Finally there is the problem of continuity, that is how long the access arrangements that are negotiated now will last. The Commission have proposed 10 years after which a further decision would be taken; the French say this is the longest period they could accept. I do not see how, politically, we could explain a solution which could involve a further major and protracted negotiation towards the end of this decade. I have said that, however it is expressed, we must have greater security that what is negotiated now will continue more or less indefinitely.

10 There are of course many other detailed problems on the CFP. But these can be solved in the Fisheries Council. The vital point is that access is the key to the CFP negotiations as a whole; and a settlement with the French the key to the access problem. We have no real levers in the fisheries sector which we can use and which will hurt the French most. Given their intractable attitude this clearly points to the need for a link with other issues, even though there are dangers in making such a connection.

11 I am sending copies of this minute to Peter Carrington, George Younger, and to Sir Robert Armstrong.

Alex Buchanan

for

PETER WALKER

19 March 1981