

MEETING BETWEEN THE MINISTER OF AGRICULTURE, FISHERIES AND FOOD AND
THE FRENCH STATE SECRETARY FOR EUROPEAN AFFAIRS:
5 MARCH 1985

NSPM
CAP
FR.

Present

Minister
Sir Michael Franklin
Mrs Attridge
Mr Llewelyn

Mme Lalumiere
M. Kessedjian
M. Blanchemaison
Mme Quincy
Mr. Carnelutte
M. Vidal

After the Minister had welcomed Mme Lalumiere, it was agreed that the discussions should concentrate on the fisheries aspects on enlargement and on the CAP price-fixing.

The Minister said that French and British officials would be meeting on fisheries in Paris on Thursday. He thought it essential for the five to maintain a common front, and hoped that the Commission (whose officials would also be present on Thursday) could be brought to support their position. Mme Lalumiere replied that she could confirm that maintaining the unity of the five was a major French concern; the UK could rely on France here. It was necessary, however, to conclude the enlargement negotiations rapidly, both for the good of the Community and to preserve the political stability of Spain and, in particular, Portugal. For this reason the five would need to show imagination and devise compromise acceptable to all parties, including the Commission. It was indisputable that the current Commission proposals were not satisfactory either for the five or for Spain. The meeting on Thursday could play an important part in bringing matters to a satisfactory conclusion.

The Minister said that we fully agreed on the political necessity for enlargement. He was anxious, however, that an agreement on fisheries should not endanger the principles of the CFP, which had been established with such difficulty. It was thus important not to give Spain quotas that endangered these principles. There were also important points concerning access to be settled, in particular those relating to the French six to twelve mile limit and the Irish box; here the five needed to consider carefully what they could accept.

Mme Lalumiere said that it was clear that any agreement would have to balance a number of considerations. The key ones were first, the number of Spanish vessels permitted access to current Community waters. Here a reduction in the total Spanish fleet was needed, although this might have to be matched by an undertaking from the ten not to increase the size of their fleets. Second, geographic

zones. Issues of importance here were the six to twelve mile limit, the Irish box, the Portuguese request for boxes round the Azores and Madeira and the Portuguese problem in Area IX. Third, quotas. On this point the Commission proposals weighed most heavily on stocks of interest to France. They would be looking to see the burden spread more evenly and other species covered as well.

The Minister agreed that it was particularly important to limit the number of Spanish vessels permitted access to current Community waters. It would also be helpful to reduce the total size of the Spanish fleet but we would not agree that this should be conditional on a further reduction of our own fleet. However, a commitment not to increase our fleet was rather different, and merited further discussion. On quotas, he had noted what Mme Lalumiere had had to say. However, the key stock was that of hake which was of major interest to France and to Spain. There would clearly have to be some hard bargaining here. Mme Lalumiere said that she totally agreed with this analysis.

Turning to agriculture, Mme La Lumiere thought that the UK and France perhaps regarded the Commission's price proposals in much the same way. What were the Minister's views?

The Minister said that we welcomed the general thrust of the Commission proposals, which we saw as maintaining the return to reality that had started last year. It was now essential for the Agriculture Council to continue the process. But there were some areas where we felt the Commission had not been strict enough; for example, we wished to see the full 5% reduction required by the guarantee threshold applied to cereals, while on milk we were seeking a price freeze. We also attach great importance to respecting the financial guideline.

Mme La Lumiere replied that it would be for M. Rocard to go into details at the Council next week. In general, however, France could support the overall balance of the proposals. However, for milk and wine, where steps had been taken to limit levels of production, it would be difficult, if not impossible, to combine these quantitative restrictions with price freezes. They had to pay attention to the difficult position of producers in these sectors. On cereals, the key issue for France was the competitiveness of exports on world markets. The Community was now a major cereals exporter and had to sell on the world market; this required competitive prices. She would welcome the Minister's view on this and on the German bid for price increases for cereals.

The Minister said that it was clear that France and the UK were not going to agree on milk prices. On wine, he noted that the Council last week had agreed on a price freeze, in line with the Dublin Declaration. He agreed on the importance of cereal exports; the current level of the dollar made Community exports very competitive at present. However, this situation would not last if the German request for higher prices was met. This was why we were opposed to

the German request and continued to seek a lower price than that proposed by the Commission.

clh

C I LLEWELYN
6 March 1985

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