



FCS/85/116

MINISTER OF AGRICULTURE, FISHERIES AND FOOD1985 CAP Price Fixing

1. Thank you for your minute of 24 April. I agree that we must insist on the application of the guarantee thresholds generally, and in particular in relation to cereals prices.

2. Our strategy must, therefore, be to continue to do all we can to overcome the German blockage. There is, after all, practically no sympathy in the Council for the German position and considerable irritation over the inconsistency between Kiechle's attitude and German claims that they want to control CAP expenditure. No doubt you will have in mind the possibility of working towards a vote on this issue or forcing Kiechle to use language even more clearly based on the Luxembourg compromise (which would be very useful to us in the context of the current debate on the institutions).

3. You raise the circumstances in which we should insist on a joint Council of Finance and Agriculture Ministers. I agree that we should certainly do this if the financial guideline looks like being breached. You suggest that the balance of advantage might be different if the cost of the Commission's original proposals were exceeded but the settlement was still well within the guideline. We agreed in Cabinet that in that event, you would consult me and the Chancellor of the Exchequer.

cc/pe
②

Prime Minister
CDP
26/4.

ms



4. I am copying this minute to the Prime Minister, members of OD(E), the Secretaries of State for Wales, Scotland and Northern Ireland and Sir Robert Armstrong.

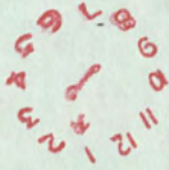
A handwritten signature in dark ink, appearing to be 'G. Howe', written in a cursive style.

GEOFFREY HOWE

Foreign and Commonwealth Office

26 April, 1985

END OF PT 13
CAP



26 APR 1985