

CCRC
13/11/86

Ref. A086/3171

PRIME MINISTER

Cabinet: Community Affairs

The Secretary of State for Trade and Industry is likely to report on the meeting of the Internal Market Council on 3 November which was chaired by the Minister for Trade, Mr Clark. Considerable pressure from Mr Clark on the Council produced agreement on two further measures and progress in five other areas. But in order to open the way for agreement on a dozen or more measures by the Internal Market Council in December - when there may be two meetings of the Council - Mr Clark announced a Presidency programme of bilateral contacts which will be targeted on the member states who pose the biggest obstacles to progress. We expect to submit shortly a proposal for you to write to other Heads of Government urging them to open the way to agreement on this substantial package of internal market measures. We also have in mind a further initiative - but not for use before the European Council - under which the United Kingdom Presidency would get credit by announcing that the Council had reached agreement on a further range of measures where a qualified majority exists and where a qualified majority would be sufficient for adoption under the Single European Act.

2. The Minister of Agriculture, Fisheries and Food may report on the Fisheries Council on 5 November. The Council is discussing the Commission's proposals for a new 10-year fisheries structures programme to replace measures which expire at the end of this year; a Presidency compromise on closing a fishery when a member state's quota is nearly exhausted; and relations with third countries.



3. The Minister of Agriculture, Fisheries and Food may also refer to problems over exports of sheep and sheepmeat to France from the United Kingdom. Following our letters to the French Minister of Agriculture and to the Agriculture Commissioner, the French Government has given assurances that excessive inspections on imports of United Kingdom lamb into France have been stopped. On the ground, however, this has been only partly true. It is not yet clear whether the residual problems are due to deliberate obstructionism or to slow working of the administration. Mr Jopling has written to his colleagues proposing that if the French continue to deliberately raise obstacles at import we should be ready to increase the intensity of our own inspections on imports from France of Golden Delicious apples (not illegal but, of course, a significant obstruction to trade). Colleagues are likely to agree on the understanding that we would launch our action only if we were sure that the French are definitely not doing what they have promised. The heat should in any event be going out of the lamb dispute now as market prices strengthen in the period up to Christmas.

4. There will be a meeting of Foreign Ministers in London on 10 November which will come back to the question of action in response to Syrian-backed terrorism; a Transport Council on 10-11 November; and a Development Council on 11 November. The European Parliament will be in session on 10-14 November.

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ROBERT ARMSTRONG

5 November 1986