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PRIME MINISTER

Cabinet: Community Affairs

The Foreign and Commonwealth Secretary will mention the meeting of Foreign Ministers held in London on 10 November at which he took the chair. The main outcome was a satisfactory agreement on additional action designed to send Syria the clearest message that terrorist acts are unacceptable. The Foreign Ministers decided not to authorise new arms sales to Syria: to suspend high level visits to or from Syria: to review in each Community country the activities of Syrian diplomatic and consular missions; and to review and tighten security precautions surrounding the operations of Syrian Arab Airlines. Though Greece condemned the individual act of terrorism by Hindawi it would not join the remaining member states in condemning the Syrian Government and withheld its overall agreement to the package - though it seems likely to implement the measures.

2. The Foreign and Commonwealth Secretary is likely to refer to the successful outcome of the Development Council on 11 November at which the Minister for Overseas Development, Mr Patten, took the chair. The main item on the Council agenda was the revision of the Community's food aid regulations for which we have been pressing for some time. Led by the United Kingdom the Council agreed a common position which is designed to move away from using food aid as a means of disposing of agricultural surpluses towards techniques which will allow both food aid and other development aid to be used to enable developing countries to advance their own agriculture. One technique would be for Community aid to be used to buy food from developing countries and given to nations where there is famine. There has been general support in the media for



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the United Kingdom Presidency's success in bringing about this change of emphasis in Community aid policy. The Council's position will need to be discussed with the European Parliament before the new legislation is finally agreed.

3. The Secretary of State for Transport will report on the meeting of the Transport Council on 10-11 November. In extended discussions the United Kingdom, both in its national and its Presidency roles, made sterling efforts to agree liberalisation measures on air transport which would affect air fares, capacity (ie revenue-sharing) agreements and the access of additional airlines to routes in order to increase competition. Mr Moore had made it clear that these three major issues must be seen as a package and that agreement could only be on that basis. Agreement needs to be unanimous on each measure. Progress was made and a majority in favour of change now exists on both capacity and access but overall progress was slowest on discussions to reduce the restrictions on concessionary air fares, on which the Council is still split. It is a major British priority during our Presidency to achieve significant liberalisation of air transport and this is still possible. The right course in the immediate future is to keep pushing hard on the line we are now following. A further Transport Council is planned for 15-16 December: Mr Moore is likely before then to hold intensive bilateral discussions with countries who present difficulties: and the Commission remains in a position to threaten legal action against 12 of the Community's major airlines for breach of the Community's competition rules.

4. There is a meeting of the Cultural Affairs Council on 13 November; a meeting of the Economic and Finance Council on 17 November; a meeting of the Agriculture Council on 17 and 18 November; and a meeting of the Industry Council on 18 November.

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