

PCO
PS
PS/MR HURD
PS/PUS
SIR J BULLARD
~~MR HANWAY~~
MR HANWAY
MR EVANS

RESIDENT CLERK
ED/EDD(I) (3)
ED/NEWS D
ED/VED
ED/
ED/

PLUS FCO
ANDERSON
MR ~~BARNES~~
LEGAL ADV.

McSPRECKLEY, EDD(I) ADVANCE COPY

CABINET OFFICE

MR D HANCOCK
MR STAPLETON
MR DUBIE
~~MR HANWAY~~
MR MR KEAY

D O T (1Victoria St)

H M TREASURY

SIR X COUZENS.
MISS J COURT

MAPF

PS/MINISTER
SIR B HAYES
PS/MR BUCHANAN-SMITH
fr/MR WALKER

MR MASON
~~MR HENSHAW~~
MR PAKER
MRS BLACKWELL
MR NASON
MR BELCHAMBER
MR HENSHAW
Mr P Pooler

Fisheries Division,
Great Westminster House

PLUS O G D's

MR BONE, N I O GOGGS
MR MORRISON DANIEL
MR G JONES WOAD

PS/S of S
~~MR McQUEEN~~
MR CORMACK
MR FINDLAY

No 10 D St (2)
D A F S
c/o Scottish Office

CONFIDENTIAL

FRAME FISHERIES

FM COPENHAGEN 03/1250Z DECEMBER 82

TO FLASH FCO

TELEGRAM NUMBER 420 OF 2 DECEMBER

INFO IMMEDIATE UKREP BRUSSELS

EUROPEAN COUNCIL: DANISH POSITION: CFP

1. DANISH MINISTERS COME TO THE EUROPEAN COUNCIL UNCERTAIN WHETHER THEY WILL FACE DEFEAT IN THE FOLKETING ON THE ISSUE OF INF INFRASTRUCTURE PAYMENTS ON TUESDAY, 7 DECEMBER. IF THIS HAPPENED ON A MOTION THEY FELT MUST BE TREATED AS ONE OF CONFIDENCE, THEY WOULD VERY PROBABLY CALL AN ELECTION, EVEN THOUGH NUCLEAR POLICY WOULD BE AN UNFORTUNATE ELECTORAL ISSUE. NEGOTIATIONS BETWEEN THE DANISH PRIME MINISTER AND HIS PREDECESSOR, COVERING ALSO DEFENCE SPENDING AND SOME ASPECTS OF GOVERNMENT ECONOMIES, ARE UNLIKELY TO BE CONCLUDED TODAY.

2. IN THIS SITUATION, I JUDGE THAT IT WILL BE OUT OF THE...

2. IN THIS SITUATION, I JUDGE THAT IT WILL BE OUT OF THE QUESTION FOR THE DANISH GOVERNMENT TO BUDGE ON THE CFP AT THE EUROPEAN COUNCIL. DESPITE MR ANKER JOERGENSEN'S RELATIVELY HELPFUL POSITION, MY TELNO 419) MR SCHLUETER IS UNLIKELY TO FEEL HE CAN RELY ON HIM WITH A POSSIBLE ELECTION IN THE OFFING AND HE WILL NOT WANT TO OFFER ANY POLITICAL HOSTAGES BEFORE TUESDAY'S VOTE.

3. I STILL, HOWEVER, GET THE STRONG IMPRESSION THAT, ASSUMING THEY SURVIVE, THE DANISH GOVERNMENT MEAN TO ACCEPT THE CFP BEFORE THE END OF THE YEAR, PROBABLY AT THE FISHERIES COUNCIL ON 21 DECEMBER. THEIR PUBLIC PRESENTATION IS THEN LIKELY TO BE THAT TIME IS NEARLY OUT: DENMARK HAS GOT ALL IT CAN GET: IN THE LIGHT ALSO OF UNDERTAKINGS FROM SOME PARTNERS, THE GOVERNMENT THEREFORE CONCLUDE THAT IT IS BEST FOR DENMARK (NOT LEAST AS PRESIDENCY) AND FOR THE EC NOW TO ACCEPT.

4. THE DANES ARE EXPECTING TOUCH TALK FROM US AT THE COUNCIL AND PROBABLY NEED TO BE ABLE TO POINT TO FURTHER PRESSURE IF AND WHEN THEY DECIDE TO ACCEPT. THE PRESSURE WILL, HOWEVER, BE MORE ACCEPTABLE TO THE GOVERNMENT - AND TO THE DANISH PUBLIC - AND HENCE MORE LIKELY TO ACHIEVE OUR GOAL OF A CFP - IF IT COMBINES FIRMNESS WITH UNDERSTANDING OF THEIR PROBLEMS. (I STILL HEAR COMMENTS ABOUT THE PERSUASIVENESS OF MR WALKER'S TV INTERVIEW A FORTNIGHT AGO.)

5. IN THE COUNCIL, I ASSUME THE PRIME MINISTER MAY WISH TO CONCENTRATE ON THE COMMUNITY ARGUMENTS, EG:

- POLITICAL BENEFITS OF A CFP:

- CONSIDERABLE EFFORTS MADE TO NEGOTIATE AN AGREEMENT AS FAIR AS POSSIBLE AND ACCEPTABLE TO ALL, INVOLVING ALL IN REAL SACRIFICES AND CONTAINING CONCESSIONS TO DENMARK ON SPECIES OF GREATEST VALUE TO HER:

- REMAINING DISAGREEMENT INSIGNIFICANT BY COMPARISON BUT DANISH DEMANDS CANNOT BE MET BY HER PARTNERS BECAUSE THEY BREACH WHOLE PRINCIPLE OF BASING QUOTAS ON HISTORIC PERFORMANCE:

- THE NINE, WHO HAVE BEEN PATIENT AND CO-OPERATIVE IN HELPING DENMARK ALSO OUTSIDE THE PACKAGE AND IN ALLOWING EXTRA TIME TO REFLECT, ARE AGREED THAT WE ARE AT THE END OF THE ROAD AND A DECISION MUST BE TAKEN:

- FROM ALL POINTS OF VIEW (CONSERVATION, SECURE FUTURE FOR ALL COMMUNITY FISHERMEN, COMMUNITY SOLIDARITY AND PROGRESS) SHORT-SIGHTED FOR DENMARK NOT NOW TO REMOVE LAST OBSTACLES TO AGREEMENT.

6. FOR THE DANISH MEDIA, WE SUGGEST IN ADDITION ELABORATING FURTHER ON

(A) BRITISH SACRIFICES, NOTABLY 50% REDUCTION IN DEEP SEA FISHING FLEET (80% FOR TRAWLERS) IN LAST 5 YEARS AND

(B) MACKEREL ARGUMENTS

- ONLY 2 AND A QUARTER % BY VALUE OF DANISH CONSUMER CATCH:

- MACKEREL QUOTA WEST OF SCOTLAND PRECLUDED BECAUSE WOULD BREACH VITAL BASIS FOR WHOLE CFP, HISTORIC PERFORMANCE:

- UK HAS, HOWEVER, CHANGED OWN LICENSING ARRANGEMENTS TO MAKE AVAILABLE TO DANISH PROCESSING FACTORIES DOUBLE THE IMPORTS OF LAST YEAR (DENMARK HAS TRADITIONALLY BOUGHT MUCH OF ITS MACKEREL SUPPLY).

(C) (DEFENSIVE) COMPARISON OF UK AND DANISH GAINS: DISCREPANCY BETWEEN MR WALKER'S AND MR SCHLUETER'S FIGURES DUE TO OMISSION OF GREENLAND FROM THE LATTER: WITH IT, DENMARK'S SHARE HAS NOT FALLEN.

THE FINAL NOTE MIGHT BE THAT THE RIGHT COURSE IS THE DIFFICULT ONE BUT DENMARK NEVER PREVIOUSLY SHIRKED DIFFICULTIES OR RESPONSIBILITIES AND SURELY WILL NOT DO SO NOW.

FCO PSE ADVANCE TO PS/S OF S

PS/NO 10

PS/MR WALKER, MAFF

HANNAY

SPPECKLEY

WARBURTON

NNNNN

SENT /RECD AT 02/1344Z MGD/JW