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PRIME MINISTER

Cabinet: Community Affairs

The Secretary of State for Trade will wish to report on the GATT Ministerial meeting in Geneva on 24/29 November at which the United Kingdom was represented by the Minister for Trade. Although it has received a rather negative press, there was much in the outcome with which we can be content. The meeting adopted a wide-ranging document which included decisions and conclusions covering most of the main issues: there was a realistic political commitment to the open-trading system; our ability to take safeguard action has been preserved; there are to be the studies we wanted on trade in services and on integrating the newly industrialised countries more fully into the GATT system; and an improved procedure for the settlement of disputes. On two points the Community had to enter reserves. While the EC agreed to a study of the whole question of agricultural trade issues, it was not willing to commit itself prior to the study to the negotiation of additional liberalisation in this field. The other EC reserve was on the roll-back of protective measures in order to protect our defensive measures against Japan and other East Asian suppliers.

2. The Minister of Agriculture, Fisheries and Food will wish to report on the Fisheries Council on 29 November. There were no further negotiations. Nine member states reaffirmed their agreement to the Common Fisheries Policy agreed on 8 November but Denmark asked for more time. At the United Kingdom's instigation the Commission will convene a high-level working group of officials on 6 December to prepare the national measures that will be required if Danish agreement is not obtained before 31 December. The Fisheries Council is due to meet again on 21 December.

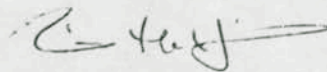
3. The Minister of Agriculture may also refer to the two subjects of his recent correspondence with you and the Foreign and Commonwealth Secretary. He minuted you on 19 November and wrote to Mr Pym on 29 November about the agreement the French have made with

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the Soviet Union for exports of subsidised agricultural products to the USSR. Mr Walker wants the maximum pressure exerted on the Commission, to ensure both that they open infraction proceedings against the French and that the French do not gain the benefit of export refunds. The Minister of Agriculture's letter to the Foreign and Commonwealth Secretary of 29 November also registered his view that, while we cannot ultimately prevent it, we should continue to object to the sale of Community butter to the Soviet Union. You discussed both these issues with the Foreign and Commonwealth Secretary on 26 November.

4. The Environment Council will meet on 3 December, and you and a number of your colleagues will be attending the European Council meeting in Copenhagen on 3/4 December.



Approved by
ROBERT ARMSTRONG
and signed in his absence

1 December 1982

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