



Ministry of Agriculture, Fisheries and Food
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Questions
Press

From the Minister's Private Office

T Flesher Esq
Prime Minister's Office
10 Downing Street
LONDON
SW1

12 December 1984

Dear Tim,

COUNCIL OF AGRICULTURE MINISTERS : 10-11 DECEMBER 1984

I attach a copy of the statement which Mr Jopling hopes to make in the House today. I would be grateful for immediate clearance.

I am copying this letter to Bernard Ingham; David Heyhoe (Leader of the House's Office); Murdo Maclean (Whip's Office, Commons); David Beamish (Whip's Office, Lords); Richard Hatfield (Cabinet Office); Alex Galloway (Chancellor of the Duchy of Lancaster's Office) and to Private Secretaries of the other Agriculture Ministers and members of the OD(E).

Yours ever,
David Hubbard

PP IVOR LLEWELYN
Private Secretary

With my honourable Friend, the Minister of State, I represented the United Kingdom at the Council of Agriculture Ministers in Brussels on 10 and 11 December.

Much of the meeting was taken up with further discussion of the new structures package. No agreement was possible on the basis of a compromise from the Presidency. I emphasised the need for consistency between the costs of the structures measures and a decision, which has still to be taken, on the finance available for Guidance expenditure over the next few years.

On the milk supplementary levy, the Commissioner said that the Commission were determined to ensure that the system was applied according to the rules in all member states and that they would withhold funds for financing the dairy sector where the rules were not being observed. With most other Ministers, I emphasised the importance of proper and uniform application of the rules in all member states. Nine member states (with Denmark abstaining) adopted a statement noting that there are still technical and administrative difficulties concerning the application of the system in certain member states, and inviting the Commission to allow postponement of the first payment until the end of the marketing year.

The Commission are expected to consider this matter at their meeting today.

During the discussion, I emphasised again the urgent need for the Commission to come forward with proposals to allow more flexibility between the dairy and direct sales quotas.

I raised again the price of natural gas for Dutch horticulturalists on which the Commission have instituted legal proceedings under the Treaty. I urged the Commission, pending the outcome, to require suspension of the aid. The Commissioner said that the Dutch had already been asked to suspend the aid complained of. The question of recovery would be considered when the case was decided.

I also pressed the Commission on the French beef aid. The Commissioner confirmed that the French Government had notified this aid in accordance with the Treaty following the refusal of the Council at its last meeting to endorse the payments. The Commissioner confirmed that meanwhile no payments should be made.

In discussion on changes in detailed provisions on sparkling wine, I refused to withdraw my opposition until I had received assurances that illegal procedures applied to UK whisky imports into Italy would be discontinued. I am happy to report that, after consulting Rome, the Italian Minister gave the fully satisfactory assurances both that import procedures applied in future would allow imports at the lower rate of duty and that the excess duty charged would be refunded as quickly as possible.

In the veterinary sector the Council reached agreement in principle on a compromise proposal on charging for red meat and poultrymeat inspection. This made it possible to adopt the other outstanding issues in the veterinary package otherwise agreed at the June Council. These include satisfactory trading arrangements to protect the UK, including Northern Ireland, and the Republic of Ireland and Denmark against foot-and-mouth disease.