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Qz.02620

PRIME MINISTER

Ad Hoc Meeting: 11am Tuesday 22 July

Common Fisheries Policy

1. The purpose of this meeting is to consider the line which the Minister of Agriculture, Fisheries and Food should take at the Fisheries Council on 28/29 June and thereafter. As well as the Minister of Agriculture, the Foreign and Commonwealth Secretary and the Secretary of State for Scotland have been invited to attend.
2. The background was described in my minute to Mr Whitmore of 11 June (Annex A). Mr Walker's office have now circulated a further factual note (Annex B).
3. The main questions that the meeting should consider are:-
 - (a) What are the views of the United Kingdom fishing industry on the proposals? It may be possible to persuade them to accept the access arrangements but the quotas are likely to be more difficult.
 - (b) What can be done to make any fisheries package more acceptable to our industry? Is sufficient improvement of the quota proposals likely to be negotiable in the Council? If not, how far would further aid to the industry help if it was justified in terms of the overall agreement, eg to help restructure the industry?
 - (c) Would agreement on access alone help the United Kingdom? This has previously been the stumbling block for the United Kingdom. If it were agreed - or virtually agreed - on its own it would remove from the negotiations the issue of greatest political sensitivity for the United Kingdom and the main area of legal uncertainty and argument in relation to the expiry of the derogations in the Treaty of Accession. Once access were settled, the UK would be less exposed, for the

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Danes are more likely than the UK to prove the stumbling block to agreement on quotas, and, because they will be in the chair, they would be likely to be severely criticized if their delegation were thought to be obstructive.

HANDLING

4. You may want to invite the Minister of Agriculture to start by explaining the proposals which will be before the Council and the prospects for reaching agreement. He is seeing Monsieur Thorn tomorrow afternoon and will no doubt wish to give the meeting an account of his objectives on that occasion.

5. You might then direct discussion to the three issues identified above; that is:

- (a) What are the views of the United Kingdom fishing industry on the proposals?
- (b) What if anything can be done to make the package more acceptable to the industry?
- (c) Would agreement on access alone help the United Kingdom? Is it negotiable?

6. The Foreign and Commonwealth Secretary will no doubt wish to comment on the importance of preventing fisheries becoming enmeshed with the budget negotiations. You may wish to invite the views of the Secretary of State for Scotland on the political acceptability of the proposals in Scotland.

CONCLUSIONS

7. In the light of the discussion your summing up might cover:
- (a) The desirability of reaching a quick agreement on the CFP, or at least on the access element.
 - (b) The nature of the agreement which might be acceptable to the United Kingdom fishing industry.
 - (c) The possible need for further aid to the United Kingdom fishing industry.

D.H.

D J S HANCOCK

21 June 1982



Ministry of Agriculture, Fisheries and Food
Whitehall Place London SW1A 2HH

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From the Minister's
Private Office

A J Coles Esq
10 Downing Street
London
SW1

21 June 1982

Dear John

COMMON FISHERIES POLICY

I understand that the Prime Minister will take the Chair at a meeting to discuss this subject tomorrow morning at 11 o'clock. Participants --- may find the enclosed note helpful as background to the discussion.

I am sending copies to Francis Richards (FCO), Muir Russell (Scottish Office) and David Hancock (Cabinet Office).

Yours sincerely
Robert Lawson

R LOWSON
Private Secretary



COMMON FISHERIES POLICY - CURRENT COMMISSION PROPOSALS

INTRODUCTION

1. Following the agreement of the Fisheries Council on the Control Regulation, there are now four outstanding groups of proposals in respect of a revised Common Fisheries Policy - on access, total allowable catches (TACs) and quotas, structures and conservation.

ACCESS

2. The proposals on access have three main features:-

- (a) within 12 miles, an exclusive 12-mile zone, with traditional rights for other Member States confined to the outer six miles (no fishing up to the beaches) and restricted broadly to those rights that applied before Accession, thus putting right most of the unfavourable aspects of the Accession Treaty on this subject;
- (b) outside 12 miles, a substantial area of preference for the UK in the form of a large area around the Orkneys and Shetlands in which the larger vessels (over 25 metres) undertaking demersal fishing have to be licensed whilst the smaller vessels (which are all from the UK) do not;
- (c) the agreement would take the form of a derogation from the Treaty with an assured life of 20 years plus a similar provision in respect of the subsequent years to that in the Treaty of Accession on the basis of which the present proposals have been negotiated.

TACs AND QUOTAS

3. A set of proposals for total allowable catches which provide for catches somewhat above the optima proposed by the scientists are accompanied by a set of proposed quotas for each Member State which give the UK 35.5 per cent of the seven main species and about 31 per cent of the herring. Not surprisingly, the proposals are a mixed bag from the UK point of view, with a somewhat lower percentage of the seven main species for the UK than in the previous set of proposals but a better distribution between stocks, with fewer "paper fish."



STRUCTURES

4. The proposals on structures concentrate most of the expenditure on decommissioning grants and construction and modernisation grants, which are the items of most interest to the UK, although there are also some minor grants of interest primarily to Greece and Italy.

CONSERVATION

5. The revised Conservation Regulation includes a number of new provisions of importance and assistance to the UK. The Council are very close to agreement on this aspect.

PRIME MINISTER

c. Miss Stephens

Common Fisheries Policy

I understand that you want to discuss this with Mr. Walker before the Fisheries Council on 28/29 June.

Would you like to do this on 22 June, after OD? *Yes*

Would you like the Foreign Secretary and the Secretary of State for Scotland to be present? *Yes please*

Mr A.F.C.

Caroline

We agreed that you would set this up in place of OD at 11:00 a.m. tomorrow.

18 June 1982

*A already done. A.F.C. 21/6.
E.S. 21/6.*