



Ref. A084/3092

PRIME MINISTER  

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Cabinet: Community Affairs

You may wish to inform Cabinet of the Community aspects (if any) of your talks with Dr Garret FitzGerald on 18 November and with Dr Soares on 21 November.

2. The Foreign and Commonwealth Secretary will report on the Foreign Affairs Council on 20 November, when the United Kingdom was represented by the Minister of State (Mr Rifkind) and the Minister for Overseas Development. The Council reached agreement on the size and structure of the European Development Fund for ACP countries in the Third Lomé Convention on the basis which he reported to Cabinet last week, ie a fund of 7.4 billion ecu but the United Kingdom contributing no more than its current share of 7 billion ecu. This demonstrates that by maintaining our position - despite pressures to the contrary - we have achieved without rancour an acceptable financial result for the United Kingdom but some additional funds which will be welcome to the Commonwealth members of the Convention. The Council made no progress towards completing the Community's negotiating position with Spain on the outstanding issues of wine, fish and fruit and vegetables. This was exactly as we had expected: the Franco-Italian dispute on wine is likely to go to the European Council on 3-4 December; satisfactory solutions on fish and fruit and vegetables are clearly in sight but are being held up by tactical reserves (eg Italians holding up the arrangement on fish). The Council will make a more serious effort on 26 November, when it may be possible to reach agreement on fish and on fruit and vegetables.

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3. The Foreign and Commonwealth Secretary may also report on the meeting on 21 November between the Council and the European Parliament, which had been arranged to give the European Parliament an opportunity to express its views on the Council text on budgetary discipline which the Chancellor of the Exchequer reported to Cabinet on 15 November. It is hoped that the Council will be able to formally adopt the text after this meeting has been held.
  
4. On 22 November there is a meeting of Culture Ministers and an Industry Council to consider aids to the steel and shipbuilding industries. The Foreign Affairs Council will meet on 26-28 November and the Health and Budget Councils on 29 November.

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ROBERT ARMSTRONG

21 November 1984