



10 DOWNING STREET

From the Private Secretary

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CDOE
CO
FO (Challen)
LAD
DTI
HMT
FO

22 July 1986

Ivor

CEREALS SET-ASIDE

The Prime Minister has seen a copy of the Foreign Secretary's minute of 21 July to Mr Jopling dealing with cereals set-aside, in which he also proposes that there should be early interdepartmental discussion on beef reform. The Prime Minister agrees with the Foreign Secretary that such a discussion is needed. She would like to be kept closely informed of the outcome.

BF. 11

I am copying this letter to the Private Secretaries to all members of OD(E), to the Private Secretary to the Secretary of State for the Environment and to Sir Robert Armstrong.

Yours sincerely,

Charles Powell

Ivor Llewelyn, Esq,
Ministry of Agriculture, Fisheries and Food.



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CCPC ①
FCS/86/197

MINISTER OF AGRICULTURE, FISHERIES AND FOOD

Cereals Set-Aside

- Yes not*
- Prime Minister*
I think an
early discussion
on beef would
be useful. But
MAFF will have
to be jostled.
Agree to
support?
CDP 21/7
1. Thank you for your letter of 11 July covering the paper which you have sent to Commissioner Andreissen. I agree that, subject to his views, we should aim for discussion at the September Informal Agriculture Council.
 2. A cereals set-aside scheme is unlikely to be agreed until next year's price fixing. We do, however, have a real prospect of reaching agreement on reform of the beef regime during our Presidency. We are agreed that there are elements in the Commission proposals which would cause difficulties for our own farmers, but that we must aim for a reduction in intervention. A reform once in place could save substantial amounts if it could be agreed during our Presidency. This could have an important bearing on our ability to keep future Community expenditure within the bounds. I hope we can have an early opportunity to discuss your own ideas on beef reform before negotiation starts in earnest in September.



3. I am copying this minute to the Prime Minister, members of OD(E), the Secretary of State for the Environment and Sir Robert Armstrong.

A handwritten signature in black ink, appearing to be 'G. Howe', written in a cursive style.

(GEOFFREY HOWE)

Foreign and Commonwealth Office

21 July 1986

Euro pol bud.

