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Treasury Chambers, Parliament Street, SW1P 3AG

11 September 1984

Rt Hon Michael Jopling MP
Minister of Agriculture, Fisheries and Food
Ministry of Agriculture, Fisheries and Food
Whitehall Place
London SW1A 2HH

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Dmb
11/9

Dear Minister,

will request if required

EG AGRICULTURAL STRUCTURES PROPOSALS AND CONSERVATION

You sent a copy of your letter of 10 September to Nigel Lawson.

2 This is to confirm that Nigel and I see no objection to your officials tabling the proposed amendments to the draft EC structures regulations at the next meeting of the High Level Group on structures. We regard these proposals as fulfilling the commitment to a political initiative on the environment agreed by OD(E) on 20 July.

3 I must emphasise, however, that our agreement to tabling the proposals does not imply any commitment to any particular form of implementation in the UK should they prove acceptable to other Member States; and that our objective must continue to be to restrain the cost of the structures package.

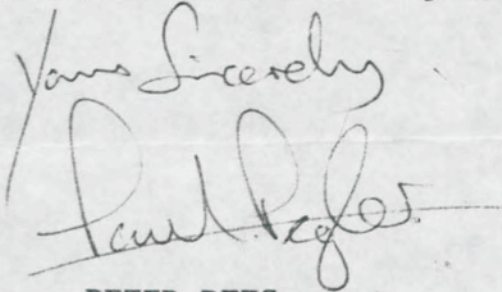
4 I am glad to see that you have agreed to include a provision which would allow Member States to withhold investment aids for environmental reasons. The balance between the use of this provision and the proposed facility for offering new aids for environmentally sensitive farming practices will need careful consideration. In particular I would be reluctant to agree to offering income aids above the 97 ecu ceiling which would be eligible for partial reimbursement from the Community Budget.

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5 There is a clear link here with the work which officials were asked to take forward on the scope for reducing the cost of the operation of the Wildlife and Countryside Act and I would suggest that we might return to this question when the report by officials is available. I note that in any event you have undertaken to accommodate the cost of any implementation measures within the PES provision for agriculture.

6 I am sending copies of this letter to the Prime Minister, Members of OD(E), Douglas Hurd, George Younger, Nicholas Edwards, Patrick Jenkin, and to Sir Robert Armstrong.

Yours Sincerely


PETER REES

(Approved by the Chief Secretary
and signed in his absence)

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