1. Welcome to the delegation of the GDR.

2. The background against which these negotiations are being held is that a large number of coastal states have taken action to extend their fisheries limits to 200 miles. This development has become so widespread that other coastal states, including the Member States of the Community, have been obliged to take similar action themselves.

3. In recognition of this trend, and of the need to take effective measures to safeguard fishery resources, which in recent years have been seriously depleted, the Member States of the Community agreed in October that they would extend their fisheries limits in the North Sea and Atlantic to 200 miles from 1 January 1977. This agreement was recorded in a Resolution of the Council of 3 November 1976. It was agreed also that, as from the same date, the exploitation by vessels of states not Members of the EEC of fishery resources within the waters now coming under the fisheries jurisdiction of Members should be governed by agreements between the Community and the countries concerned. The Council instructed the Commission to start negotiations with the third countries concerned in accordance with the directives adopted by the Council. In so doing the Member States are acting in conformity with International Law, and in defence of their legitimate interests.

4. The Netherlands Presidency of the Community informed the Government of the German Democratic Republic of the contents of the Council Resolution of 3 November and of the Community's desire for negotiations. The Community noted that, in its reply to this communication, the GDR Government declared its readiness for detailed cooperation with the relevant European States in the fields of protection, conservation and management of the living resources in the areas of the North Sea and North Atlantic, /which
which are placed under the jurisdiction of the coastal states. However, it was not possible for suitable arrangements agreed with the countries concerned to come into operation at the beginning of 1977. In order to allow time for negotiations to take place, the Council agreed to establish quotas for the third countries concerned. These quotas apply for the first three months of 1977 in most cases. The decisions taken on the level of quotas were in accordance with the Community's general intentions in determining the level of fishing by third countries within the fishery limits of Member States. They also reflect the severe limitation of stocks following years of over exploitation. The Community are determined to pursue policies on conservation which will allow the resources to recover. Furthermore the Community's position, which takes full account of international law, must take cognisance of the degree of reciprocal interest, and of the need to provide a secure future for the industries of its Member States. Community Member States have seen a severe curtailment of their own operations in the waters of third countries.

5. For the first three months of 1977 therefore quotas for GDR fishing were fixed by the Community in accordance with the principles I have just mentioned. Subsequently, in January, the Council agreed to introduce a licensing system within the framework of the quotas established for GDR fishing activity in Member States' waters, for the period up to the end of March. The GDR Government was asked to transmit a list of vessels to be licensed. I would like to take this opportunity of thanking the GDR Government for their prompt response and willingness to cooperate in implementing this system. The Council, in adopting its autonomous decision about fishing levels, made clear its wish that GDR fishing within the fishery limits of Member States' waters for the period after 31 March would be regulated by an agreement between the Community and the GDR. The Community hopes that all autonomous arrangements can be succeeded as soon as possible by arrangements under negotiated agreements. The present negotiations are therefore concerned with the establishment of the framework to govern the fisheries relations between the two sides. Such an agreement will
allow time for the necessary adjustments to new circumstances to be made. It is not intended to discuss the arrangements applying for the period up to 31 March.

6. In regard to the negotiations which begin today, the Community is happy to welcome the German Democratic Republic here. The manner in which these negotiations will be handled on the side of the Community, with a view to concluding an agreement between the Community and the GDR, has already been explained to the GDR authorities. The United Kingdom heads the Community delegation in its capacity as the country exercising the Presidency of the Council of the European Communities. The representatives of the Commission are part of the Community delegation and will present the position of the Community, in view of the fact that in the Community the Commission is competent to conduct negotiations with third countries in this field.

7. This session of negotiations is being held at Ministerial level but thereafter the negotiations, as is normal for the Community, will be conducted at official level. Mr Paul Scott, on behalf of the Presidency, will be head of the Community delegation and M. Simonnet will represent the Commission therein.

8. I am sorry that my own presence at this negotiation has to be short. However the Presidency will be continuing to head the Community side in these negotiations, and I and my British Ministerial colleagues will continue to keep in the closest touch with the negotiations as they proceed.