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Chirac snubbed

Chirac snubbed in farm dispute

By Ambrose Evans-Pritchard

EUROPEAN Union leaders spurned a last-minute bid by French president Jacques Chirac to resolve their differences over farm reform at yesterday's summit, refusing even to broach the subject.

M Chirac astounded fellow leaders by threatening to veto reform of the Common Agricultural Policy unless France got its way. Losing his patience as two weeks of marathon talks by farm ministers in Luxembourg began to turn against France, he switched tack on Thursday night and insisted for the first time that the matter should be dealt with directly by European Union prime ministers.

But Costa Simitis, the Greek prime minister and summit host, rejected the proposal, saying it should be left to farm ministers properly briefed on the subject. "Mr Simitis said he was not going to put reform of the Common Agricultural Policy on the agenda until it is resolved in Luxembourg," said his spokesman.

M Chirac's veto threat could cause a major crisis. France does not have a legally binding veto on farm policy since decisions are taken by majority voting. In theory, Paris could invoke "vital national interests" as a last resort, but this safeguard, known as the Luxembourg Compromise, has fallen into disuse and is not recognised by the European Court.

As the biggest recipients of the EU's £30 billion farm budget, French farmers are deeply threatened by the European Commission's reform plans. In any case, France's share of the aid pie will inevitably shrink as 10 new, mostly rural, states join the EU peyt year

join the EU next year.

The proposals, which have the loose backing of the northern "scrap-the-Cap club" of Germany, Britain, Holland, Sweden and Denmark, are intended to cut the link between subsidies and production. Funds would be switched gradually to ecofriendly "green" agriculture and help for village communities, reducing the excess production that has flooded Third World economies with dumped EU goods.

Commission officials said M Chirac, a former farm minister, believed he could outmanoeuvre his colleagues on farm aid, provided he could pin them down at yesterday's summit, without the presence

of their key advisers.

Warning to North Korea

EUROPEAN Union leaders increased pressure on North Korea yesterday, demanding surrender of its nuclear weapons.

A summit joint communique ordered Pyongyang to "visibly, verifiably and irreversibly dismantle its nuclear programmes" and comply with its international nonproliferation obligations.

The tough language shows how far the EU has moved since the Iraq war in confronting the threat of weapons of mass destruction.