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NOTE

from:	General Secretariat of the Council
to:	Delegations
Subject:	Partial summary record of the meeting of the European Parliament Committee on Agriculture and Rural Development on 21 February 2013

The meeting was chaired by Mr De Castro, S&D, IT

Item 9. Exchange of views on the outcome of the European Council regarding the MFF 2014-2010 and the CAP

The Chair referred to a provisional study by the EP Policy Department analyzing the results of the European Council's agreement. He recalled that the Parliament's authority was not affected by the European Council's outcome and that any agreement on CAP reform would depend on the MFF agreement to be reached between the Council and the European Parliament. He reassured MEPs that the Committee on agriculture would make its views heard on the issues of its competence in the context of the debate to be held at the March plenary session in Strasbourg.

The rapporteur Mr Capoulas Santos, S&D, PT, considered it unacceptable that a fortnight after the European Council, the figures of the financial envelopes per Member State used by the Heads of State and Governments to reach the compromise were still unknown to the Parliament, which made it very difficult for the European Parliament to negotiate with the Council on the basis of objective criteria and comparable figures. Mrs Herranz Garcia, PPE, ES Mrs. McGuinness, EPP, IE and Ms. De Lange, EPP, NL expressed similar concerns.

The Chair noted that uncertainty about the exact figures was affecting the European Parliament's work on all headings, as was the issue of the actual amount available for the next MFF. He promised to call on the Council to disclose precise data per Member State.

M. Massot on behalf of the EP's Policy Department presented the provisional impact assessment of the next MFF agreement on the CAP, the objective of which is to compare the figures of the agreement with the EP's position set out in a Resolution dated June 2012. The study outlines the evolution of spending on agriculture over the period 2004 to 2020 (projected) based on the EC agreement. CAP spending, he detailed, accounted for 32% of the EU's budget in 2013, and is projected to be at 27% in 2020. He noted that market policy under Pillar 1 direct payments could be further reduced through the application of 'fiscal discipline' and that agricultural revenue could be further affected due to the volatility of the market price of agricultural products.

M. Wojciechowski, ECR, PL and M. Siekierski, EPP, PL, expressed concerns about the results of the European Council, which according to them would imply a significant reduction in the budget devoted to agriculture, in particular for a country like Poland which would get fewer resources to catch up with Western Europe. M. Häusling, Greens/EFA, DE considered that given the overall cuts to the budget, agriculture had fared quite well and stressed the issue of the discrepancy between commitments and payments as being the most serious one and one which created particular uncertainty about the future. He particularly regretted cuts made on rural development, which was the sector offering the greatest potential for development. He expressed the hope that EPP Members

would not follow the positions taken by the German and British Conservative leaders.

Mrs McGuinness, EPP, IE wondered whether the summer deadline was a realistic one to reach an agreement, noted that financial discipline was equaling further cuts to the budget and that what was requested to farmers was actually to do more with less. She expressed concerns at the effects of potential strong fluctuations on commodities' markets in the period given that the inclusion of the 'crisis reserve' under direct payments implied that in case of a crisis the level of support from the 1st pillar would be further reduced, with very serious consequences for farmers.

Mr. Nicholson, ECR, UK, criticised the Council for withholding information related to the result of the European Council, a behaviour which in his view was speaking volumes about the respect in which the European Parliament is held and commented that not everybody in the Council had recognized that there is a new treaty in force. He stressed the importance of the CAP securing the appropriate food supply to the EU, noted that the EU had never produced so little food and that the EU should create an appropriate degree of confidence for those producing food.

Mr Dantin, EPP, FR, expressed concern at the fact that the EU was cutting the budget devoted to agriculture at a moment when food insecurity and price volatility was particularly high. He considered that the European Parliament ought to resist the proposed overall budget amount and to defend its agreed position on the specific sectors and all the work it had done so far on substance.

The Chair concluded by stating that the European Parliament was ready to defend its prerogatives and its position on the issues of substance.

The Commission representative indicated that the agreement reached on February 8 was an important milestone; that the Commission had defended its own more ambitious position; that it would continue to play its role in full to reach the best possible negotiating result and to be a reliable partner to the European Parliament. On financial discipline, he clarified that accumulated amounts would end up in the crisis reserve, which would go back into the CAP budget if the money were not used.