



**COUNCIL OF
THE EUROPEAN UNION**

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NOTE

from:	General Secretariat of the Council
to:	Delegations
Subject:	Summary record of the meeting of the European Parliament Committee on Agriculture and Rural Development (AGRI) , held in Brussels on 20 March 2012

The meeting was chaired by Mr de Castro (S&D, IT), the chairman of the Committee.

1. Multiannual financial framework for the years 2014-2020 (item 13 on the agenda)

– Exchange of views with Mr Reimer Böge and Mr Ivailo Kalfin

Mr Böge (EPP, DE) and Mr Kalfin (S&D, BG), Budget Committee rapporteurs on the Multiannual Financial Framework (MFF) 2014-2020, gave a presentation on the state of play in the ongoing discussions on the MFF in the Budget Committee and informed the AGRI Committee about the procedures ahead.

In his introduction, Mr Böge explained that the application of the MFF meant that there would be no annual financial programmes and therefore multiannual programmes would have to secure appropriate financing. The MFF would be adopted on the basis of unanimity after consent had been given by the European Parliament.

With regard to the contact group for the MFF, Mr Böge (EPP, DE) explained that the Budget Committee provided five of its members including its Chair, and several other committee chairs and committee coordinators were also members. The rapporteur said that the MFF was currently being discussed in the various committees and there would be a final discussion and a decision on the procedure by the Conference of Presidents.

With regard to the timetable, Mr Böge recalled that negotiations on the MFF had started during the HU Presidency and had been pursued under the PL Presidency. The Budget Committee expected the negotiating boxes to be ready for the Council meeting in June. Mr Böge expressed concerns about these negotiating boxes since it was not clear to him in what form they would be presented, i.e. whether they would contain figures / tolerances and what the basis for the figures would be.

The rapporteur explained that the MFF was a package where the principle that "nothing is agreed until everything is agreed" applied. He believed that it was vital to reach agreement on the whole of the package since, in his view, sector-by-sector agreements were not desirable. Mr Böge stressed that Parliament should not give its consent to the final agreement if the outcome of the negotiations proved to be unsatisfactory for the EP.

He concluded by saying that the Budget Committee might present an interim report on the MFF in early October, depending on the outcome of the negotiations in the Council at the end of June.

In the subsequent debate, Mr Bové (Greens/EFA, FR) said that, in his view, it was much more relevant to discuss policies in the Committee and to decide on the principles and content of the future agricultural policy rather than to discuss figures and financing as a first priority. The other Budget Committee rapporteur, Mr Kalfin (S&D, BG), agreed with Mr Bové and said that, although the actual figures and the amount available were not yet known, it was clear that there would be decreases in the share of the budget, although they would be much smaller than the changes in the budget relating to Cohesion Policy for example.

With regard to the budget and the figures, Mr Kalfin (S&D, BG) further explained that the Budget Committee had a rough idea of the amount, but did not know the concrete figures at this point. However, the negotiation box would at least contain prices. Mr Kalfin informed the Committee of the Parliament's opening negotiating position: It was to be based on the 2013 prices plus a 5% annual increase and a 2% annual increase due to inflation ("deflator"). However, the 2% annual increase due to inflation was still to be negotiated and several Member States had already signalled their disagreement with this figure, since, in their view, inflation was likely to be less than 2%.

Ms McGuinness (EPP, IE) wondered about the role of the EP during the MFF negotiations and the influence of Parliament when it came to determining the final figures. Mr Kalfin replied that on 21 and 22 March the Parliament would participate in a conference on the MFF together with the Danish Presidency, Member States and representatives of national parliaments, at which relevant questions about the MFF could be asked. He also said that the Danish Presidency organised briefings with the EP before and after the General Affairs Council meetings. He reiterated that it was crucial for Parliament to have a good negotiating result on the MFF and that Parliament should decline an agreement which was not acceptable to it.

With regard to the timing (raised by Mr Jahr (EPP, DE), Ms Reimers (ALDE, DE) and Mr Häusling (Greens/EFA, DE)), Mr Kalfin said that the MFF should ideally be agreed by the end of 2012. At the same time, he admitted that the Budget Committee believed this timetable was very ambitious. He stressed, however, that if the MFF was to start at the beginning of 2014, it was crucial to reach agreement by the end of the year. Otherwise it would prove very difficult to prepare national administrations and legislation for this new framework.

Mr Dantin (EPP, FR) asked whether there was going to be some flexibility in distributing funds and whether it was possible to establish an envelope with surpluses that could be used in crisis situations. Mr Kalfin (S&D, BG) believed that the Council was not in favour of such a proposal but he added that Parliament wanted greater flexibility, especially in view of the decrease in financial assistance.

Mr Lyon (ALDE, UK) stressed that the MFF contact group had a lot of responsibility on the EP's behalf in the negotiations and pointed to the need to ensure that its members were fully committed and engaged. There would have to be a high degree of transparency throughout the discussions in the Committees and, in the event that the Commission proposal was rejected, it should be possible to reopen files and reports.

Mr Böge (EPP, DE) concluded the discussion by stating that the Commission should send clear signals that it intended to follow and implement the priorities it had set in its proposal package. With regard to the Presidency, he considered it important to speed up negotiations and to try to find solutions to the issues outstanding. He stressed that the Treaty of Lisbon and the co-decision procedure established under it should under no circumstances be overridden in this process. He underlined that the Parliament's opinion should not be limited to only a "yes" or a "no". Finally, he strongly encouraged the AGRI Committee to discuss MFF further, to follow the proceedings in the other committees too, and to try to find a common position.

- 2. Direct payment to farmers under support schemes within the framework of the CAP (item 14 on the agenda)**
 - Exchange of views**

This item was not discussed owing to the absence of the rapporteur, Mr Capoulas Santos.