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PRESSE 46 PR CO 46

OUTCOME OF THE COUNCIL MEETING

3560th meeting

General Affairs

Brussels, 25 September 2017

President Matti Maasikas

Deputy Minister for European Affairs of Estonia

PRESS

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Where declarations, conclusions or resolutions have been formally adopted by the Council, this is indicated
in the heading for the item concerned and the text is placed between quotation marks.

[•] Documents for which references are given in the text are available on the Council's internet site (http://www.consilium.europa.eu).

[•] Acts adopted with statements for the Council minutes which may be released to the public are indicated by an asterisk; these statements are available on the Council's internet site or may be obtained from the Press Office.

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ITEMS DEBATED

Priorities of the Estonian presidency

The Estonian presidency presented its <u>overall priorities</u> up to the end of 2017.

October European Council

The Council prepared for the forthcoming European Council meeting on 19-20 October 2017 by discussing an <u>annotated draft agenda</u> drawn up by the President of the European Council in cooperation with the Estonian presidency and the Commission.

The October European Council is expected to focus on migration, Digital Europe, defence and external relations.

In particular, leaders will take stock of the measures taken to stem illegal flows on all migration routes, decide on additional measures as required, and call for further progress on the Common European Asylum System with a view to an agreement.

Regarding digital issues, they will look at how the EU can best meet the challenges and use the opportunities presented by the digital revolution.

The annotated draft agenda will serve as the basis for draft conclusions, to be prepared in the run-up to the European Council meeting.

European Council follow-up

The Council took stock of the implementation of earlier European Council conclusions, with a particular focus on developments since June.

Commission work programme for 2018

The Council exchanged views on the Commission's <u>letter of intent</u> on its draft work programme for 2018. The discussion was aimed at providing the Commission with broad indications of what the Council and its member states wish to highlight in relation to the priorities for 2018.

The views expressed by ministers will be summed up in a presidency letter so that the Commission can take them into account before adopting its work programme in October. As the last step in the <u>annual legislative programming process</u>, the Council, the European Parliament and the Commission will agree, by the end of the year, on a joint declaration on priorities for 2018.

Any other business

The Commission updated ministers on the state of play of its rule-of-law dialogue with Poland.

OTHER ITEMS APPROVED

FOREIGN AFFAIRS

EU-Philippines cooperation

The Council adopted a decision on the conclusion of the framework agreement on partnership and cooperation between the EU and the Philippines.

The agreement sets out the framework for relations between the EU and the Philippines, including political dialogue, trade and investment cooperation, justice and security cooperation, cooperation on migration and development, and economic and development cooperation. It will have a duration of five years.

EU-Philippines partnership cooperation

EU-Armenia cooperation

The Council adopted the position to be taken by the EU within the Cooperation Council between the EU and Armenia on the EU-Armenia partnership priorities. This will allow for the joint adoption of the partnership priorities by the EU and Armenia.

The EU-Armenia partnership priorities aim to facilitate the implementation of cooperation between the partners, including in the context of the new comprehensive and enhanced partnership agreement, which is expected to be signed in the coming months. The EU's objective is to support and strengthen the resilience and stability of Armenia. The priorities are expected to include: strengthening institutions and good governance; economic development and market opportunities; connectivity; energy efficiency; environment and climate action; and mobility and people-to-people contacts.

EU-Armenia relations

Sanctions against Syria

The Council updated the information relating to four persons and one entity on the list of persons and entities under restrictive measures in view of the situation in Syria.

The measures target individuals responsible for the violent repression of the civilian population in Syria, as well as individuals or entities associated with them. These sanctions were last extended on 29 May 2017, until 1 June 2018. 255 individuals and 67 entities are now targeted by these EU sanctions.

Syria: Council response to the crisis

ECONOMIC AND FINANCIAL AFFAIRS

Bank capital requirements - Markets in financial instruments

The Council decided not to object to Commission regulations:

- supplementing regulation 575/2013 on bank capital requirements with regard to regulatory technical standards for disclosure of encumbered and unencumbered assets (12095/17 + 11912/17)
- amending regulation 2017/565 on markets in financial instruments as regards the specification of the definition of systematic internalisers (12092/17 + 11771/17)

The two regulations are delegated acts pursuant to article 290 of the Treaty on the Functioning of the European Union. They can now enter into force, unless the European Parliament objects.

Protecting the EU budget from irregular spending

The Council adopted conclusions on the European Court of Auditors' special report 4/2017 entitled "Protecting the EU budget from irregular spending: The Commission made increasing use of preventive measures and financial corrections in Cohesion during the 2007-2013 period" (11929/1/17 REV 1).

Excessive deficit procedure - Greece

The Council closed the excessive deficit procedure for Greece, confirming that the deficit is now below 3% of GDP, the EU's reference value for government deficits.

See press release

DEVELOPMENT

European fund for sustainable development

The Council adopted a regulation on the establishment of the European fund for sustainable development (EFSD). The EFSD is the main instrument for the implementation of the European external investment plan (EIP) to support investment in African and neighbourhood countries. The plan aims primarily at creating jobs and addressing the root causes of migration. It will also contribute to the implementation of the Paris agreement on climate change (COP 21).

See press release

JUSTICE AND HOME AFFAIRS

New psychoactive substances

The Council adopted its position at first reading on a directive amending the Council framework decision from 2004 on minimum provisions on the constituent elements of criminal acts and penalties in the field of illicit drug trafficking. (10537/17)

Council and Parliament agree on new mechanism to better protect Europeans from new psychoactive substances, 29 May 2017

EU position at the executive committee of the programme of the UNHCR

The Council approved the position to be adopted on behalf of the EU in the executive committee of the programme of the UNHCR, in connection with the planned adoption of a conclusion on machine-readable travel documents for refugees and stateless persons. The adoption of this executive committee conclusion is supported. (12306/17)

Return - Guinea

The Council approved the EU-Guinea good practices for the efficient operation of the return procedure.

Return - Bangladesh

The Council approved the EU-Bangladesh standard operating procedures for the identification and return of persons without an authorisation to stay.

GENERAL AFFAIRS

Our Ocean Conference

The Council adopted the EU position on a list of commitments to be presented by the EU on the occasion of the annual "Our Ocean Conference". This high-level conference will take place in Malta on 5-6 October 2017.

TRADE

Cooperation with eastern and southern Africa

The Council adopted the EU decision to add Croatia to the list of countries and territories associated with the European Union in the framework of the interim agreement concluded between the EU and the eastern and southern Africa states establishing a framework for an economic partnership agreement. The interim agreement was signed in 2009 and has been provisionally applied since 2012.

<u>AGRICULTURE</u>

Council conclusions on special report No 34/2016 from the European Court of Auditors on combating food waste

The Council adopted conclusions welcoming the Court of Auditors' special report No 34/2016 on "Combating food waste: an opportunity for the EU to improve the resource-efficiency of the food supply chain" (10432/17).

Around 88 million tonnes of food are wasted annually in the EU. In view of that, the court issued recommendations to help ensure the appropriate management of food waste, and to focus on prevention and donation. In its conclusions the Council acknowledged this problem and recalled the Council conclusions on "Closing the loop - an EU action plan for the circular economy" of 20 June 2016 (10518/16) and the Council conclusions on 'Food losses and food waste' of 28 June 2016 (10730/16).

Determination of endocrine disrupting properties

The Council decided not to oppose the adoption of a Commission decision amending annex II to regulation (EC) No $\frac{1107}{2009}$ establishing scientific criteria for the determination of endocrine disrupting properties ($\frac{11470}{17} + \frac{ADD}{1}$).

Regulation 1107/2009 sets out rules governing the authorisation of plant protection products in commercial form and their placing on the market, use and control within the EU. The scientific criteria introduced by the Commission's amendment for the determination of endocrine disrupting properties of active substances, safeners and synergists are needed to ensure a high level of protection of both human and animal health, protect the environment, and improve the functioning of the internal market while improving agricultural production.

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Hygiene rules, meat transport and echinoderms

The Council decided not to oppose the adoption of two Commission regulations amending regulation 853/2004 as regards:

- specific hygiene rules for echinoderms harvested outside classified production areas
 (11463/17) and
- temperature conditions during transport of meat (11469/17)

Regulation 853/2004 sets out specific hygiene rules for food of animal origin for food business operators. In particular it provides that those operators may only place products of animal origin on the market if they have been prepared and handled exclusively in establishments that meet certain requirements.

The new Commission regulations establish that echinoderms are excluded from provisions on the classification of certain production areas since they are generally not filter-feeder animals. They also introduce – based on the EFSA opinion – alternative, more flexible approaches for temperature conditions during the transport of fresh meat, in particular carcasses or larger cuts without any increased public health risk.

Official controls on echinoderms

The Council decided not to oppose the adoption of a Commission regulation amending regulation 854/2004 as regards the organisation of official controls on echinoderms harvested outside classified production areas (11468/17).

Regulation 854/2004 sets out specific rules for the organisation of official controls on products of animal origin intended for human consumption.

The new Commission regulation amends regulation 854/2004 by reclassifying echinoderms as non-filter feeders and placing them under the rules set out in section III of annex II.

Official controls on feed and food law, animal health and animal welfare

The Council decided not to oppose the adoption of a Commission regulation amending annex VII to regulation (EC) No 882/2004 on official controls performed to ensure verification of compliance with feed and food law, animal health and animal welfare rules (11395/17).

Regulation 882/2004 lays down general rules for the performance of official controls in the food and feed chain to verify compliance with, inter alia, rules on food hygiene. It also establishes a list of EU reference laboratories that are responsible for liaising with national laboratories and helping them with the application of analytical methods.

The new Commission regulation modifies annex VII to regulation 882/2004 with a view to deleting the EU reference laboratory for milk and milk products from the existing list, as it is no longer required.

Extension of the International Sugar Agreement 1992 - Position of the EU

The Council adopted a decision establishing the position to be adopted on behalf of the EU within the International Sugar Council (ISC) as regards the extension of the International Sugar Agreement 1992 (ISA).

The ISC was created in 1937 and was originally intended to deal with problems concerning sugar surpluses and sugar distribution through the International Sugar Organisation. That organisation aims to ensure enhanced international cooperation in connection with world sugar matters and to provide a forum for intergovernmental consultations on sugar so as to improve the world sugar economy, and facilitate trade by collecting and providing information on world sugar.

The ISA was concluded by the EU and entered into force on 1 January 1993. Since then, it has been regularly extended for periods of two years, and it is due to expire on 31 December 2017. A decision on its extension will be made at a special session before the next ISC meeting on 3 December 2017. The EU is in favour of an extension for a two-year period.

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Surveillance programme for chronic wasting disease in cervids

The Council decided not to oppose the adoption of a Commission regulation amending regulation 999/2001 as regards a surveillance programme for chronic wasting disease in cervids in Estonia, Finland, Latvia, Lithuania, Poland and Sweden (11367/17 + 11367/17 ADD 1).

Regulation (EC) No 999/2001 lays down rules for the prevention, control and eradication of transmissible spongiform encephalopathies (TSE) in bovine, ovine and caprine animals. It applies to the production and placing on the market of live animals and products of animal origin and in certain specific cases to exports thereof. Among other things, the regulation provides that each member state must carry out an annual monitoring programme for TSEs based on active and passive surveillance.

The new Commission regulation amends annexes I and III of regulation 999/2001 with a view to taking into account a scientific opinion adopted by the European Food Safety Authority on chronic wasting disease (CWD) in cervids. The EFSA opinion provides recommendations for the implementation of a three-year surveillance programme for CWD in cervids in Estonia, Finland, Iceland, Latvia, Lithuania, Norway, Poland and Sweden, following a first case of CWD reported in Norway in April 2016, in a reindeer.

FISHERIES

Controls on fishery products

The Council decided not to oppose the adoption of two Commission regulations amending regulation 2074/2005 as regards:

- official controls on fishery products caught by vessels flying the flag of a member state and introduced into the EU after being transferred in third countries (11435/17 + ADD 1) and establishing a model health certificate for those products, and
- the paralytic shellfish poison (PSP) detection method (<u>11471/17</u>)

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Regulation 2074/2005 sets out specific rules for the implementation of regulations 853/2004 and 854/2004 on the hygiene of food of animal origin for food business operators and official controls on products of animal origin intended for human consumption. In particular, it sets out model health certificates and documents for imports of certain products of animal origin.

The new Commission regulations establish a harmonised model of the health certificate to be signed by the competent authority in the third country through which the fishery products are transferred before they are dispatched to the EU. They also modify the detection method for paralytic shellfish poison (PSP) by introducing the so-called Lawrence method as the reference method for the detection of the PSP toxin, thereby adapting current EU methods to international standards.

Sustainable management of external fishing fleets

The Council confirmed its political agreement on the text of a regulation on the sustainable management of external fishing fleets.

In December 2015 the Commission submitted its proposal on the above-mentioned regulation to the European Parliament and the Council, which reached a provisional agreement on 20 June 2017 (see press release).

INTERNAL MARKET

Cosmetic products: restrictions on the use of peanut oil and hydrolysed wheat proteins

The Council decided not to oppose the adoption by the Commission of a regulation amending regulation 1223/2009 on cosmetic products with a view to lowering the concentration of peanut oil and peptides in hydrolysed wheat proteins used in cosmetic products (11415/17 and 11415/17 ADD 1).

The objective is to ensure the safety of such cosmetic products for human health.

This draft Commission regulation is subject to the regulatory procedure with scrutiny. This means that now that the Council has given its consent, the Commission may adopt it unless the European Parliament objects.

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Chemicals - Classification and labelling

The Council decided not to oppose the adoption by the Commission of a regulation amending regulation 1272/2008 on classification, labelling and packaging of substances and mixtures for the purposes of its adaptation to technical and scientific progress ($\frac{11526}{17} + \frac{ADD}{1} + \frac{1}{4}$).

Article 53 of regulation 1272/2008 provides for the possibility of amending the annexes to the regulation.

The Commission regulation is subject to the regulatory procedure with scrutiny. This means that now that the Council has given its consent, the Commission may adopt it unless the European Parliament objects.

Update of the list of defence-related products

The Council decided not to oppose the adoption by the Commission of a directive updating the list of defence-related products contained in directive 2009/43/EC.

Directive 2009/43/EC simplifying terms and conditions of transfers of defence-related products within the EU provides that the Commission must update the list of defence-related products so that it corresponds to the EU's common military list, which was last updated in March 2017.

Directive 2009/43/EC seeks to contribute to the development of a single market for defence products, thereby reinforcing the competitiveness of Europe's defence industry.

The draft directive is subject to the regulatory procedure with scrutiny. This means that now that the Council has given its consent, the Commission may adopt it unless the European Parliament objects.

Chemicals (REACH) - Wash-off cosmetic products

The Council did not oppose the adoption by the Commission of a regulation aimed at restricting the use of octamethylcyclotetrasiloxane ('D4') and decamethylcyclopentasiloxane ('D5') in wash-off cosmetic products in order to address the risks to the environment posed by the use of D4 and D5 when discharged into waste water.

The Commission regulation will amend annex XVII to the <u>REACH regulation</u> (regulation 1907/2006 on the registration, evaluation, authorisation and restriction of chemicals) (11064/17 and 11064/17 ADD1).

The draft Commission regulation is subject to the regulatory procedure with scrutiny. This means that now that the Council has given its consent, the Commission may adopt it, unless the European Parliament objects.

ENVIRONMENT

Emission allowances - Auctioning and auction platforms

The Council decided not to oppose the adoption of a Commission regulation amending regulation (EU) No 1031/2010 to align the auctioning of allowances with decision (EU) 2015/1814 and to list a second auction platform to be appointed by the United Kingdom (11042/17 + ADD1).

<u>Decision (EU) 2015/1814</u> concerns the market stability reserve for the EU's emission-trading scheme. It defines the volumes of allowances to be placed in or released from that reserve, adjusting the corresponding volumes to be auctioned over a period of 12 months, beginning on 1 September of a given year.

Regulation (EU) No 1031/2010, on the other hand, lays down the rules for auctioning emission allowances and determines the volumes of allowances to be auctioned each year. An alignment with decision (EU) 2015/1814 is therefore necessary to take into consideration the adjustment of the volume of allowances for auction each year.

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Regarding the United Kingdom, the second auction platform should be appointed from 10 November 2017 at the earliest until 9 November 2022 at the latest. On 16 November 2016, the United Kingdom notified the Commission of its intention to appoint ICE Futures Europe ("ICE") as the second auction platform.

The Commission regulation is subject to the regulatory procedure with scrutiny. This means that now that the Council has given its consent, the Commission may adopt the regulation, unless the European Parliament objects. The regulation will enter into force on the 20th day following its publication in the Official Journal of the European Union.

Non-disbursed NER 300 revenues

The Council decided not to oppose the adoption of a Commission decision concerning the deployment of non-disbursed revenues from the first round of calls for proposals of the NER 300 funding programme to finance other carbon capture and storage (CCS) and renewable energy (RES) projects (11093/17).

This Commission decision amends <u>decision 2010/670/EU</u> in order to make those non-disbursed revenues available to support first-of-a-kind innovative, replicable and ready to demonstrate at scale CCS and RES demonstration projects using relevant financial instruments managed by the European Investment Bank Group. Priority will be given to the InnovFin EDP Facility in the energy sector and the Debt Instrument under the Connecting Europe Facility in the transport sector.

In accordance with the amended decision 2010/670/EU, the Commission will regularly report to the Climate Change Committee on the use of the revenues and will also report to it in advance on the development of the delegation agreements between the Commission and the European Investment Bank.

The NER 300 funding programme consists of 300 million emission allowances from the EU emissions trading system (EU ETS) which were set aside for new entrants. The funds, obtained from the sale of those allowances, are granted to projects promoting the safe capture and geological storage of CO2 and innovative renewable energy technologies. Projects are selected through two rounds of calls for proposals. At 31 December 2016, at least €436 million awarded to the projects from the first call had not been spent.

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The Commission decision is subject to the regulatory procedure with scrutiny. This means that now that the Council has given its consent, the Commission may adopt the decision, unless the European Parliament objects.

EU Ecolabel

The Council decided not to oppose the adoption of:

- a Commission regulation amending annex II to <u>regulation (EC) No 66/2010</u> regarding specific information related to the EU Ecolabel (<u>11200/17</u> + <u>ADD1</u>), and
- a Commission decision extending the validity of the ecological criteria for the award of the EU Ecolabel to hard coverings until 30 June 2021 (11475/17); the decision amends decision 2009/607/EC, which set the end of the validity period as 30 November 2017

Both the Commission regulation and decision are subject to the regulatory procedure with scrutiny. This means that now that the Council has given its consent, the Commission may adopt the regulation and the decision, unless the European Parliament objects.

The EU Ecolabel helps consumers identify products and services that have a reduced environmental impact throughout their life cycle, from the extraction of raw material through to production, use and disposal. It is a voluntary label promoting environmental excellence.

ENERGY

Electricity emergency and restoration

The Council decided not to oppose the adoption of a Commission regulation establishing a network code on electricity emergency and restoration (11069/17 + ADD1).

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The network code provides a set of requirements and principles relating to the procedures and actions to be carried out, for the purposes of safeguarding operational security, preventing the propagation or deterioration of an incident, and allowing for the efficient and rapid restoration of the electricity system from an emergency or blackout state.

The Commission regulation is subject to the regulatory procedure with scrutiny. This means that now that the Council has given its consent, the Commission may adopt the regulation, unless the European Parliament objects. The regulation will enter into force on the 20th day following its publication in the Official Journal of the European Union.

RESEARCH

EU-Mediterranean partnership for food and water projects: the "PRIMA" initiative

The Council authorised the signing and provisional application of agreements for scientific and technological cooperation with Algeria (11897/17, 11924/17), Egypt (11915/17, 11926/17), Jordan (11916/17, 11927/17) and Lebanon (11918/17, 11928/17), with a view to setting out the terms and conditions for their participation in the Partnership for Research and Innovation in the Mediterranean Area (PRIMA).

PRIMA aims to foster research and innovation capacities and to develop knowledge and common innovative solutions for improving the efficiency, safety, security and sustainability of agro-food systems and of water provision and management in the Mediterranean area.

On 30 May 2017, the Council authorised the opening of negotiations with Algeria, Egypt, Jordan, Lebanon and Morocco to conclude agreements laying down the terms and conditions for their participation in the PRIMA programme (9111/17).

The PRIMA programme requires international agreements to be negotiated between the EU and third countries which are not associated with the EU's research framework programme "Horizon 2020" in order to allow for their participation in PRIMA.

PRIMA is scheduled to run for ten years, starting in 2018.

CUSTOMS UNION

Convention on the international transport of goods (TIR carnets)

The Council adopted a decision in support of a proposal to introduce a number of amendments to the customs convention on the international transport of goods under cover of TIR carnets (TIR Convention 1975) (11946/17).

The purpose is to adopt the latest amendments to the TIR Convention agreed by the United Nations Economic Commission for Europe (UNECE).

The TIR system, the aim of which is to facilitate road transport, allows goods to travel across more than 50 contracting parties with minimum involvement of customs administrations and, through an international guarantee chain, provides relatively simple access to the required guarantees.

The convention entered into force in the EU in 1983.

SOCIAL

European Social Fund

The Council decided not to object to a Commission regulation enabling the Commission to reimburse the expenditure of member states using standard scales of unit costs (SSUCs) and lump sums (11774/17 +ADD1).

The regulation is a delegated act pursuant to article 290 of the Treaty on the Functioning of the EU. It can enter into force, unless the European Parliament objects.

REGIONAL DEVELOPMENT

Urban innovative actions supported by the European regional development fund

The Council decided not to object to a Commission regulation setting out detailed rules for the selection and management of urban innovative actions to be supported by the European regional development fund (11713/17).

The regulation is a delegated act pursuant to article 290 of the Treaty on the Functioning of the EU. It can enter into force, unless the European Parliament objects.