



**COUNCIL OF
THE EUROPEAN UNION**

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"A" ITEM NOTE

From: General Secretariat of the Council
To: Council

No. prev. doc.: 13949/1/13 REV 1
No. Cion prop.: 15400/11 - COM(2011) 629 final

Subject: Proposal for a Council Regulation determining measures on fixing certain aids and refunds related to the common organisation of the markets in agricultural products (*CAP Reform*)
- *Adoption*

1. On 17 October 2011, the Commission submitted the above proposal, based on Article 43(3) TFEU, to the Council as a part of the CAP reform package.
Under Article 43(3) TFEU the Council is to adopt, on a proposal from the Commission, measures on fixing prices, levies, aid and quantitative limitations.
2. The Special Committee on Agriculture ("SCA") examined the proposal under the Cyprus Presidency. On 19 November 2012 the SCA agreed to come back to the draft Regulation in the light of future discussions on the other CAP reform proposals¹.

¹ See CRS doc. 16479/12.

3. An overall political agreement on the CAP reform package² was achieved with the European Parliament on 26 June and 24 September 2013. This included an agreement that the fixing of public intervention prices, buying-in prices and applicable quantitative limitations, aid for private storage, aid for the supply of fruit and vegetables and milk and milk products to children, export refunds, as well as a set of measures in the sugar sector (the production charge, production refund, minimum beet price, the adjustment of national quotas and the surplus levy) be decided upon by Council under Article 43(3) TFEU³.
4. Further to the conclusion of these negotiations, the Special Committee on Agriculture returned to the file at its meetings on 7 and 14 October, and 11 November 2013.
5. On 11 November 2013 the Special Committee on Agriculture took note of the broad support for the suggested amendments to the Presidency draft Regulation set out in document 13949/1/13 REV 1, and of the Presidency's intention to set a silent deadline for its approval⁴.
6. Further to the expiry of that silent deadline, on 14 November 2013 the Special Committee on Agriculture approved the above draft Regulation, subject to legal linguistic revision, together with the Commission statements set out in Annex to this note, DE, CY and UK indicating their intention to abstain, and the PL position remaining to be confirmed.
7. In light of the above, the Special Committee on Agriculture invites the Council to:
 - adopt the draft Regulation after legal linguistic revision as set out in document 15173/13 + COR 1 as an "A" item at one of its next sessions; and
 - enter the Commission statements set out in Annex to this note in the minutes of that meeting.

² Reflected in docs. PE-CONS 93/13, PE-CONS 94/13, PE-CONS 95/13, and PE-CONS 96/13.

³ Whilst reference thresholds and their possible review, the opening of public intervention prices for the beef and veal sector, and sugar quotas would remain under ordinary legislative procedure. See also in this respect the Council statement set out in doc. 16967/13.

⁴ See CRS doc. 16152/13.

Commission statements

The Commission considers that since the re-allocation of sugar quotas falls under (Article 101j of) the sCMO Regulation, the adjustment of these quotas should do so as well.

The Commission confirms that, in the context of the revision of the school fruit and school milk schemes, it intends to review the aid for the distribution of milk as well as the co-financing of the school fruit scheme costs, including in the smaller Aegean islands.
