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President **Fernand Etgen**
Minister for Agriculture, Viticulture and Consumer
Protection of Luxembourg

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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

AGRICULTURE

Simplification of the Common Agricultural Policy

The Council had an exchange of views on the state of play of the simplification of the Common Agricultural Policy (CAP). The Commission presented its simplification agenda as a follow-up to the Council conclusions on CAP simplification ([8485/15](#)).

Member states welcomed the Commission proposal to begin by reviewing the delegated and implementing acts of the reformed CAP in line with the Council conclusions. In the area of direct payments, member states identified the 'greening' measures and the controls as the issues with the greatest need for simplification. Also noted were, for rural development, the programming and approval. Delegations were divided when invited to consider a review of basic acts of the CAP in the longer term.

The Commission proposed the implementation of measures to simplify delegated and implementing acts of the reformed CAP in particular as regards the regulation on the single common market organisation (the single CMO, regulation 1308/13) and the regulation (regulation 1307/2013) on direct payments (except the greening measures). Measures adopted at the end of this year could be implemented in 2016.

In addition, the Commission considered the adoption next year of other simplification measures on the single CMO and on the greening of the direct payments for implementation in 2017.

CAP simplification is part of the EU's overall strategy to streamline and reduce EU legislation wherever possible. In this context, the EU institutions decided to look at what has been agreed in the recent CAP reform and see what improvements can be made in the short or medium term and also what could be done better next time.

The Council adopted conclusions on the issue last May, emphasising that, in implementing the CAP, greater account should be taken of the subsidiarity and proportionality principles. It also recalled the main principles to be respected in this process:

- preserve the policy objectives and the main elements of the reformed CAP.
- ensure the sound financial management of EU funds.
- focus on areas where those implementing the CAP as well as its beneficiaries would benefit most.
- improve the clarity and consistency of legislation;

International agricultural trade issues

Ministers were briefed by the Commission on the state of play on international agricultural trade issues and called upon to liaise closely with their Trade counterparts in order to ensure that international agreements are balanced with regard to agriculture.

Several ministers noted that negotiations should focus on the removal of non-tariff barriers. In addition they considered that issues such as the protection of geographical indications, and the high level of EU standards constituted decisive elements which characterised the specificity of EU agriculture. Some member states recalled however the importance of international trade negotiations in order to facilitate and increase exchanges between the EU and its partners.

In a favourable international context, the ongoing trade negotiations at bilateral, regional or multilateral level are important issues for EU agricultural trade. World demand for agricultural products continues to rise, driven by global population growth and the increase of average incomes resulting in the diversification of consumption towards more animal products. The EU remains the top exporter and importer of agri-food products, despite the negative effects of the Russian ban and sanitary and phytosanitary (SPS) barriers. The EU continues to take action to compensate these effects by seeking to increase exports to other destinations and alternative markets.

More than half of EU agricultural trade is done under bilateral/regional agreements or autonomous preferences. A significant number of Free Trade Agreements have been concluded recently, e.g. with Ukraine, Morocco, West Africa, the Southern African Development Community or Canada. Further bilateral and regional negotiations are under way or are planned, e.g. with the USA (TTIP), Mercosur, India, China (on geographical indications), Vietnam, or Japan.

The eleventh negotiation round on the EU-US Transatlantic Trade and Investment Partnership (TTIP) took place in Miami at the end of October. On this occasion, new tariff offers were exchanged, in particular on agriculture. EU agriculture has both defensive and offensive interests in the TTIP and the EU seeks to preserve an appropriate balance both between agriculture and other chapters under negotiation, and in the agriculture chapter itself.

Despite very difficult negotiations, in particular on geographical indications and on domestic support and market access in agriculture, the EU continues to push for a successful 10th WTO Ministerial Conference in Nairobi (December 2015) with concrete outcomes and progress on the remaining issues of the Doha Development Agenda, with a view to the balanced conclusion of the Doha Round.

Market development and support measures

The Council invited the Commission to provide an update on the main market developments and on progress on the adoption and implementation of the package of market support measures.

Ministers took note of the update on market developments presented by the Commission. They responded favourably to the rapid implementation of the market measures decided in September; several of ministers called for an early implementation of measures for the storage of pigmeat. The Council expects a more complete evaluation early next year.

On 7 September 2015, the Council debated the difficult situation experienced by various sectors, notably the dairy and pigmeat sectors. On that occasion, the Commission announced a series of measures to alleviate short term difficulties and improve the competitiveness of EU farmers. The details of the EUR 500 million aid package for EU farmers were then fleshed out at the informal meeting of Agriculture Ministers on 15 September 2015 in Luxembourg. On 16 October 2015 legal acts giving tangible form to the main elements of the package were published in the Official Journal and entered into force just a few days later.

The package of market measures includes:

- targeted aid
- private storage aid (PSA) for cheese
- improved PSA scheme for skimmed milk powder (SMP)
- increased rate of advances of CAP direct payments and certain rural development measures
- increase in EU funding under the 2016 Annual Work Programme for promotion
- humanitarian assistance

In its update on market development, since the summer's difficulties, the Commission noted that the market situation for milk had slightly improved in the recent weeks, but nevertheless considered that it would be premature to talk about a steady recovery. The pigmeat and sugar sector are experiencing persistent difficulties.

Any other business

- *School milk, fruit and vegetables schemes*

The Council was briefed by the Presidency on the state of play of the evaluation of the school milk, fruit and vegetables schemes ([13962/15](#)).

Most of the member states supported to the Presidency in its aim to come to an early agreement on this issue and resume negotiations with the European Parliament.

The School Fruit and Vegetables Scheme and the School Milk Scheme are currently separate programmes (under these schemes, EU aid is allocated to member states for the supply of fruit and vegetables and milk in educational establishments). In January 2014, the Commission adopted two proposals merging the schemes and amending the new Single Common Market Organisation (single CMO) regulation under the reformed Common Agricultural Policy (CAP) ([5958/14](#)) and the regulation fixing certain aids and refunds ([6054/14](#)).

Following the examination of the proposal in the Council, on 12 October 2015 the Special Committee on Agriculture (SCA) granted the Presidency a mandate to enter the first trilogue with the European Parliament on this proposal. The first trilogue took place on 20 October 2015 and focused on the legal basis for the proposal.

At the end of the second trilogue on 11 November, the Presidency reiterated its wish to reach a positive conclusion on this issue but deemed that it was appropriate to wait before setting the date of the next trilogue.

– *Sanitary embargo on pig products*

The Belgian delegation requested a follow-up from the Commission on the state of play of the negotiations with Russia concerning the sanitary embargo on certain EU pig products ([13807/15](#)).

Many member states supported the request from the Belgian delegation underscoring that a breakthrough on this issue would alleviate the difficulties the pigmeat sector is now facing. The Commission confirmed that it had approached the Russian authorities to discuss the conditions under which the exports of certain pig products not covered by the current embargo on EU agricultural products could resume.

While pigmeat is covered by the Russian embargo, the import of other EU products not covered by the embargo, including live pigs, fat, lard and offal has been restricted by Russia for sanitary reasons (African swine fever).

– *Future of the sugar sector*

At the request of the Italian delegation, the ministers discussed the future of the sugar sector which is now in a difficult economic situation ([13928/15](#)).

A number of delegations shared the concerns of the Italian delegation about the historically low sugar prices and pointed out the need for a soft landing when the sugar quota system comes to an end, which is scheduled for 2017. Some others, along with the Commission, pointed out that the end of the quota system for sugar had been decided in 2008 and that the reformed CAP had postponed the deadline by two years to facilitate the transition. The Commission recalled that an expert group had been set up to take stock of the conditions at the end of the quota system and to follow this market closely.

– *Hunting and game management in the EU*

The Czech delegation briefed the ministers on the outcome of the meeting of the general directors on hunting and game management in the EU which took place in Prague on 1 September ([13805/15](#)).

Participants from 15 member states discussed and shared experiences on hunting and game management. They noted the consequences of the overpopulation of hoofed game in Europe, such as wild boar and red deer. EU nature legislation, large carnivore populations and invasive alien species were also issues discussed during this meeting.

OTHER ITEMS APPROVED**AGRICULTURE****Common Agricultural Policy - Repeal of obsolete legal acts**

The Council adopted a regulation repealing directive 76/621 relating to the fixing of the maximum level of erucic acid in oils and fats and regulation 320/2006 establishing a temporary scheme for the restructuring of the sugar industry. This adoption follows a first reading agreement with the European Parliament ([PE-CONS 53/15](#)).

The two Council acts repealed by this regulation no longer have any real effect. They are related to the Common Agricultural Policy, therefore their repeal has to be adopted by the European Parliament and the Council.

- The content of Council directive 76/621 has been taken up by regulation 1881/2006;
- The temporary scheme established by Council regulation 320/2006 was applicable only until the marketing year 2009/2010.

Some legal acts which were adopted in recent decades have become obsolete because of their temporary character or because their content has been taken up by subsequent acts. The Council, the European Parliament and the Commission agreed in their inter-institutional agreement on better law-making that EU law should be updated and condensed by repealing acts which are no longer applied.

FISHERIES**Partnership agreement with Denmark and Greenland - Conclusion**

The Council adopted a decision on the signing, on behalf of the EU, and provisional application of the protocol setting out the fishing opportunities and the financial contribution provided for in the fisheries partnership agreement (FPA) with Denmark and Greenland ([11628/15](#)).

The EU, on the one hand, and Denmark and Greenland, on the other hand initialled a fisheries partnership agreement in 2006; the current protocol setting out the fishing opportunities and financial contribution provided for in the partnership agreement, entered in force on 1 January 2007. Since the current protocol will expire on 31 December 2015, a new protocol was initialled on 20 March 2015. The new protocol provides EU fishing vessels with fishing opportunities in Greenlandic waters and should be applied provisionally from 1 January 2016.

ECONOMIC AND FINANCIAL AFFAIRS

Securities financing transactions

The Council adopted a regulation that will improve the transparency of securities lending and repurchase transactions ([13652/15](#) + [PE-CONS 41/15](#)).

The regulation is intended to counter the risk of trading activities developing outside the regulated banking system, or otherwise without proper oversight. By introducing binding and reporting requirements, it sets out to discourage banks and other financial intermediaries from shifting transactions to the less-regulated shadow banking sector.

For details, see [press release](#)

Payment services

The Council adopted a directive to further develop an EU-wide market for electronic payments.

The directive incorporates and repeals directive [2007/64/EC](#), which provided the legal basis for the creation of an EU-wide single market for payment services.

The revised directive adapts the rules to cater for emerging and innovative payment services, including internet and mobile payments. It sets out to ensure a more secure environment for payments, in particular for those using remote channels.

For details, see [press release](#).

TRADE POLICY

EU-Philippines trade relations

The Council gave the go-ahead for negotiations to start on a free trade agreement with the Philippines.

The representatives of the member states authorised the Commission to start negotiations in areas that fall within their competence.

The negotiations will be led by the Commission on behalf of the EU, in consultation with the Council's Trade Policy Committee. The Council encouraged it to take an ambitious approach.

In April 2007, the Council authorised the Commission to negotiate a free trade agreement with the Association of Southeast Asian Nations (ASEAN), of which the Philippines is a member. In December 2009 however, following the suspension of region-to-region talks, it decided to pursue negotiations with individual ASEAN countries on a case-by-case basis. The strategic objective of a region-to-region agreement was nevertheless maintained. In October 2013, the Council extended the scope of its negotiating directives to include investment protection.

The EU is currently negotiating with two ASEAN countries – Malaysia and Thailand – whilst talks with two others – Singapore and Vietnam – have concluded. The Council urged the Commission to continue its efforts to launch free trade negotiations with other ASEAN countries.

WTO - Services - Least-developed countries

The Council and the representatives of the member states adopted decisions to:

- notify the WTO of the preferential treatment the EU intends to grant to services and service suppliers in least-developed countries
- seek approval from the WTO for preferential treatment going beyond market access ([13077/15](#) + [13078/15](#))

In December 2011, the WTO ministerial conference adopted a decision authorising WTO member countries to grant such preferential treatment for 15 years. Members according preferential treatment are to notify the WTO's council for trade in services.

EUROPEAN ECONOMIC AREA

44th meeting of the EEA Council

The Council established the EU's common position for the 44th meeting of the European Economic Area Council to take place in Brussels on 17 November 2015.

JUSTICE AND HOME AFFAIRS

Draft regulation on the European Union Agency for Law Enforcement Training

The Council adopted a draft regulation on the European Union Agency for Law Enforcement Training (CEPOL). The Council noted that as soon as the regulation becomes applicable, Denmark will no longer be participating in CEPOL. ([12356/1/15 REV 1](#) + [PE-CONS 45/15](#)).

For further information see: [CEPOL: Council and Parliament agree on updated rules](#), 30.6.2015

FOOD LAW

Novel foods*

The Council adopted a regulation making the placing of novel foods on the EU market faster and cheaper while preserving the high level of protection of human health (13868/15 ADD 1). Novel foods are foods not consumed in the EU to a significant degree before May 1997. They include for instance foods to which a new production process is applied.

For details, see [press release](#)
