

7040/16

(OR. en)

PRESSE 15
PR CO 15

OUTCOME OF THE COUNCIL MEETING

3456th Council meeting

Agriculture and Fisheries

Brussels, 14 March 2016

President **Martijn van Dam**
Minister for Agriculture of the Netherlands

P R E S S

CONTENTS¹**ITEMS DEBATED**

AGRICULTURE	4
Agricultural market situation	4
Use of financial instruments in the agriculture sector.....	5
EU support to timber-producing countries.....	6
International fisheries agreements	6
Any other business	7
– Food labelling.....	7
– African swine fever	8
– Audit on expenditure under the common agricultural policy	8

OTHER ITEMS APPROVED*FISHERIES*

– EU-Comoros fisheries partnership agreement – Renewal of protocol	9
--	---

JUSTICE AND HOME AFFAIRS

– EU-India Common Agenda on Migration	9
---	---

ECONOMIC AND FINANCIAL AFFAIRS

– Market abuse – Derivatives – Bank resolution – Capital requirements.....	9
--	---

ENVIRONMENT

– Greenhouse gas emissions: reference levels for Croatia	10
--	----

¹

- 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.

TRANSPORT

- Rail interoperability: safety in railway tunnels..... 11
- Port state control..... 11
- Civil aviation: performance-based navigation..... 12

ENERGY

- Ecodesign requirements..... 13

ITEMS DEBATED

AGRICULTURE

Agricultural market situation

Ministers discussed the current difficulties faced in several agricultural sectors, including the pig meat, dairy and fruit and vegetables sectors.

The Council and the Commission agreed to take decisive action without delay by supplementing the existing anti-crisis aid package for European farmers with a set of additional measures.

At the end of the meeting, the President of the Council drew the following conclusions:

[Presidency conclusions on market situation and support measures](#)

The Council also instructed the Special Committee on Agriculture to follow up on the new measures and initiatives in order to facilitate their effective and rapid implementation.

Prior to the Council meeting, the more than 100 contributions provided by national delegations¹ had been summarised and categorised by sector, intended duration (short-, medium-, long-term) and nature (storage, export promotion) ([6877/16 ADD1](#)).

As a consequence of the difficult situation experienced in various sectors, in particular the dairy and pig meat sectors during the summer of 2015, and in relation with the continued Russian ban and lagging demand worldwide, in September 2015 the Commission adopted a €500 million [aid package for farmers](#) and a series of measures to help overcome difficulties faced by farmers, stabilise markets and address the functioning of the supply chain.

The Council would return to the matter at future sessions.

¹ National contributions are available from the [Council register of public documents](#) under document numbers 6884/16 (ADD1 to ADD25).

Use of financial instruments in the agriculture sector

The Commission and the European Investment Bank (EIB) drew the Council's attention to the existing investment and financing opportunities. They invited member states to take the necessary action to encourage and enable potential promoters, investors and financial intermediaries to make full use of those opportunities to boost competitiveness, growth and jobs in the agriculture sector and rural areas through project financing by means of financial instruments.

Delegations shared their experience and best practices with the use of financial instruments in the agriculture sector and noted a number of practical steps that could be taken by the member states to promote their use.

In the agriculture sector there is an unfulfilled demand for finance. There are different bodies and instruments which can play an important role in overcoming the reduced capacity of investors to take risks:

- the EFSI (European Fund for Strategic Investments), which aims to provide €1 billion of financial guarantees in order to mobilise €15 billion of public and private investment in the economy
- the ESIF (European Structural and Investment Funds), which is the EU's main investment policy tool, covering the five major EU funds, including the EAFRD (European Agricultural Fund for Rural Development), with a total budget of €54 billion for 2014-2020
- the EIF (European Investment Fund), with which the EIB seeks to implement EU policy by providing risk finance – primarily through financial intermediaries – to benefit SMEs in the EU
- the FIs (Financial Instruments), which are specific tools to support access to finance. They include financial products such as loans, guarantees, equity and other risk-bearing mechanisms.

EU support to timber-producing countries

The Council adopted [conclusions](#) on EU support to timber-producing countries under the FLEGT (Forest Law Enforcement Governance and Trade) action plan.

The conclusions are a follow-up to recommendations issued by the [European Court of Auditors](#) to make EU support to timber-producing countries more effective.

The conclusions call, among other things, for voluntary partnership agreements between the EU and timber-producing countries to be further improved to help governments and businesses effectively regulate, manage and operate in forests.

The cornerstone of the EU FLEGT action plan is a bilateral agreement between the EU and a wood-exporting country – the [FLEGT](#) voluntary partnership agreement – committing both parties to trade only legally harvested timber products. Under these agreements, exporting countries develop systems to verify the legality of their timber. Once the Commission has verified that the requirements have been met, the countries qualify for FLEGT licensing.

The [EU Timber Regulation](#), which lays down the obligations of operators who place timber and timber products on the market, is a key instrument to fight illegal logging and illegal timber trade.

International fisheries agreements

The Council adopted [conclusions](#) on fisheries partnership agreements (FPAs) with third countries, as a follow-up to recommendations issued by the [European Court of Auditors](#) aimed at improving the management and implementation of FPAs.

The conclusions stress, among other things, the importance of these agreements for the sustainable management of living marine resources in the partner countries and for the economic activity of the EU's long distance fleets. They also underline the mutual benefits in securing protection for coastal communities, for employment and for food security.

The Court audited four of the twelve agreements in force at the time of the audit: with Mauritania, Madagascar, Mozambique and the Seychelles, for which a financial contribution is made from the EU budget. These four agreements accounted for 77% of FPA payments in 2013.

The audit concluded that FPAs are generally well managed by the Commission, but that there are still several areas for improvement, particularly as regards implementation.

In drawing up [international fisheries agreements](#), the EU and its partner countries negotiate an agreement and its implementing protocols. The agreement sets out a framework for long-term cooperation and general principles governing access for EU vessels to fish in waters under the jurisdiction of the partner countries. The protocols set out detailed terms and conditions regarding, for example, fishing opportunities and species, the financial contribution (for both access and sectoral support), the level of fees to be paid by ship owners, the number and size of vessels authorised for fishing, and the specific areas in which they are allowed to fish.

Any other business

– Food labelling

A [number of delegations](#) drew the attention of the Council to the impact in the internal market of the use of the voluntary 'traffic light' rating system for food labelling, which is used in some countries to classify foods as more or less healthy by assigning a colour code. In particular, foods recognised as 'quality products', subject to strict (traditional) production rules, would be penalised with a 'red' light and less consumed. They argued in favour of a harmonised EU nutrition labelling system.

The United Kingdom delegation pointed out that the system used in the UK, as a key element of health policy and the fight against obesity, is in line with the food labelling regulation.

The Commission acknowledged that this regulation allows for different voluntary schemes to be used as long as they fulfil legal requirements. A thorough review of the experience gained on the use of voluntary schemes is due by 2017.

The [food labelling regulation](#) on the provision of food information to consumers establishes the list of information that has to be available for all foods.

In accordance with this regulation, from 13 December 2016 the indication of a nutrition declaration will become mandatory as regards energy value, fat, saturates, carbohydrates, sugars, protein and salt. Until that date, the nutrition declaration provided on a voluntary basis must comply with legal requirements.

The nutrition declaration should be presented in tabular or linear form but may also be presented in another form, such as through the use of graphical forms or symbols, as long as it meets a number of requirements.

African swine fever

The Council took [note of the outcome](#) of a high-level meeting on African swine fever (ASF) held in Tallinn, Estonia, on 26 February.

Since 2014, ASF has gradually spread from Russia and Belarus to the Baltic countries and Poland, resulting in serious economic losses for the pig meat sector, in particular in those countries.

– *Audit on expenditure under the common agricultural policy*

The Council took note of a [contribution](#) aimed at simplifying the current audit system and methodology of expenditure related to the common agricultural policy.

OTHER ITEMS APPROVED

FISHERIES

EU-Comoros fisheries partnership agreement – Renewal of protocol

The Council authorised the Commission to open negotiations with a view to the renewal of a protocol to the EU-Comoros fisheries partnership agreement, setting out the fishing opportunities and the financial contribution. The current protocol expires at the end of December 2016.

([Statements by the Council and the Commission](#)).

JUSTICE AND HOME AFFAIRS

EU-India Common Agenda on Migration

The Council confirmed the agreement on the Joint Declaration on a Common Agenda on Migration and Mobility between India and the European Union and its member states.

Mobility partnerships are established in cases where they can bring added value both to the EU and the third country concerned on the management of migration flows.

ECONOMIC AND FINANCIAL AFFAIRS

Market abuse – Derivatives – Bank resolution – Capital requirements

The Council decided to extend by one month the period for raising objections to the following Commission regulations:

- regulations supplementing regulation 596/2014 on market abuse, as concerns the criteria for accepted market practices and notifications to competent authorities ([6753/16](#) + [6579/16](#), [6762/16](#) + [6701/16](#))
- regulation supplementing regulation 648/2012 on over-the-counter derivatives, as concerns the classes of derivatives subject to clearing ([6764/16](#) + [6700/16](#)).

It also decided not to object to the following Commission regulations:

- regulation supplementing directive 2014/59/EU as concerns ex ante contributions to financing arrangements for the resolution of failing banks, and correcting errors in regulation 2015/63 ([6702/16](#) + [15556/15](#)).
- regulation supplementing regulation 575/2013 and directive 2013/36/EU on bank capital requirements. The regulation covers (as concerns the capital requirements regulation) non-delta risk of options in the standardised market risk approach and (as concerns the capital requirements directive) criteria to identify categories of staff whose professional activities have a material impact on an institution's risk profile. It corrects errors in regulations 528/2014 and 604/2014 ([6703/16](#) + [6327/16](#)).

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

ENVIRONMENT

Greenhouse gas emissions: reference levels for Croatia

The Council adopted a decision ([5870/16](#)) to set reference levels for Croatia regarding forest management, minimum values for the definition of forest and base year of emissions.

The decision provides for necessary technical adaptations due to the accession of Croatia to the EU.

These reference levels for Croatia will be included in the accounting rules on greenhouse gas emissions and removals resulting from activities relating to land use, land-use change and forestry. Decision [No 529/2013/EU](#), which establishes these accounting rules, will be amended accordingly.

TRANSPORT

Rail interoperability: safety in railway tunnels

The Council decided not to oppose the adoption by the Commission of a regulation correcting article 7 of regulation 1303/2014 concerning the technical specification for interoperability relating to 'safety in railway tunnels' of the EU rail system.

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.

[Draft Commission regulation amending regulation 1303/2014](#)

Port state control

The Council adopted a decision that contains guiding principles and orientations for positions to be adopted by the member states in the Port State Control Committee (PSCC) of the Paris Memorandum of Understanding on Port State Control (Paris MOU). The decision covers the period from 2016 to 2019. It concerns sessions during which the PSCC is expected to decide on certain issues which have direct legal effect on the EU directive on port state control.

Port state control means monitoring the compliance of ships with the international standards for safety, pollution prevention and on-board living and working conditions. While the primary responsibility for compliance rests with the flag state, inspections by port states play an important role as a second line of defence against substandard shipping.

[Decision on the position to be adopted in the PSCC](#)

[Decision on the position to be adopted in the PSCC - statement by 13 member states](#)

[Decision on the position to be adopted in the PSCC - statement by the Commission](#)

Civil aviation: performance-based navigation

The Council decided not to oppose the adoption by the Commission of a regulation updating the rules on pilot training, testing and periodic checking for performance-based navigation. The changes proposed by the Commission concern Commission regulation 1178/2011, which lays down conditions related to pilots of certain aircraft and their training.

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.

[Draft Commission regulation amending Commission regulation 1178/2011](#)

[Annex to draft Commission regulation amending Commission regulation 1178/2011](#)

ENERGY**Ecodesign requirements**

The Council decided not to oppose the adoption of a Commission regulation implementing Directive 2009/125/EC, which establishes a framework for the setting of ecodesign requirements for energy-related products, with regard to ecodesign requirements for air heating products, cooling products, high temperature process chillers and fan coil units ([5539/16](#)).

In accordance with the directive, the Commission should introduce, where appropriate, implementing measures regarding ecodesign requirements for commonly used energy-related products which have significant potential for reducing greenhouse gas emissions in a cost-effective way, such as air heating products and cooling products.

The Commission act is subject to the regulatory procedure with scrutiny¹.

This means that now that the Council has given its consent, the Commission may adopt it, unless the European Parliament objects.

¹ Council decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission (OJ L 184, 17.7.1999, p. 23), as amended by decision 2006/512/EC (OJ L 200, 22.7.2006, p. 11).