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President Rumen Porodzanov

Minister for Agriculture, Food and Forestry of Bulgaria

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.

ITEMS DEBATED

AGRICULTURE

Communication from the Commission on "The Future of Food and Farming" / Future CAP

The Council continued its discussions on the <u>communication on the future of food and farming</u>, which sets out the Commission's vision for the future Common Agricultural Policy (CAP) after 2020. During a public session, ministers exchanged views in particular on the direct support that the EU provides to European farmers, the environmental dimension of the CAP, and rural development, on the basis of the input provided by the Commission in a long presentation intended to clarify the ideas behind the Commission plans.

In the debate ministers stressed the importance of direct payments but considered that there was scope to improve their design by targeting them in a way which would allow to achieve a fairer and more effective outcome for farmers across the EU. To this end and in their view, support should be directed to genuine farmers by focusing on those who are actively farming to earn their living as well as on young farmers, small and medium sized farms, areas with natural constraints and regions lagging behind. Many ministers found it worth exploring mechanisms such as redistributive and digressive payments, as well as the capping of direct payments. They stressed that such mechanisms should remain voluntary with discretion left to member states.

The principle of equality between member states in the distribution of direct payments was widely considered as an important element of fairness. All relevant aspects should be taken into account.

Many ministers emphasised the importance of voluntary coupled support as an efficient tool to support sensitive sectors, in particular in the light of increasingly open markets and the conclusion of a series of free trade agreements. To better contribute to the CAP's objectives, some member states supported the extension of voluntary coupled support to further sectors and purposes, while others said that care should be taken to avoid any risk of distorting competition.

6277/18 3 EN Ministers highlighted the current contribution of farmers to the protection of the environment and the mitigation of climate change. They called for a higher environmental ambition of the CAP through common objectives to be set at EU level, without undermining the level-playing field. In their opinion farmers should receive appropriate incentives and be adequately rewarded for their provision of public goods. With regard to the proposed new conditionality, combining in one layer the cross compliance and greening, member states called for revising and streamlining the current requirements, particularly concerning greening. Member states shared the view that the environmental and climate measures envisaged under the second pillar should remain voluntary. They also stressed the synergy and the complementarity between the interventions funded by both pillars, avoiding duplication.

Many ministers supported a result-oriented delivery of the policy and called for simplification and reduction of administrative burden. In order to achieve that, the complexity of the current "green architecture" of the CAP should be significantly reduced. At the same time, member states and regions should enjoy greater flexibility in the design of measures to allow tailor-made solutions according to local specificities and needs.

Concerning rural development, ministers emphasised the need to maintain vital and resilient rural areas, in particular by creating jobs, promoting growth and favouring generational renewal in the farming sector. Many ministers stressed that rural development measures should aim at improving the conditions of rural regions as a whole, making them more attractive for living and offering more opportunities to young people. In their opinion, coordination and synergies with other EU policies and other structural funds are important for the integrated development of these areas. Most ministers pointed to the complexity of current rural development programmes, calling for a simpler programming in the future and a timely approval of the proposed CAP strategic plans by the Commission. EU rules related to rural development policy should be simplified and relevant legislation should be approved on time to allow member states to prepare their programming documents without delay.

Many ministers agreed on the crucial need to stimulate generational renewal in the agricultural sector by improving the current instruments available under both pillars of the CAP and enhancing their complementarity with other EU and national measures.

6277/18 4 EN The future of the CAP was discussed jointly with two any other business items on the statement of the Visegrád group and Croatia about the CAP after 2020 and the contribution of the cohesion and other EU policies to rural development after 2020.

The Commission communication on the future of food and farming was adopted on 29 November 2017 and presented to the Council at its meeting on 11 December 2017.

The communication puts marked emphasis on objectives such as fostering a smart and resilient agricultural sector, bolstering environmental care and climate action, and strengthening the social fabric of rural areas. In order to achieve these objectives and unleash the potential of the agricultural sector, the existing two-pillar structure is maintained but major changes are also proposed, such as an enhanced role for member states in drafting their own strategic plan and the scrapping of greening rules in order to take a more targeted, more ambitious yet flexible approach.

The Council already had the opportunity to debate various elements of the Communication such as CAP's added value, the key objectives to be set at EU level and the appropriate level of subsidiarity, at the January 2018 Council meeting.

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The role of agriculture in the revision of the EU bioeconomy strategy

The Council exchanged views on the role of agriculture in the revision of the 2012 EU bioeconomy strategy. Bioeconomy comprises those parts of the economy that use renewable biological resources from land and sea to produce value-added products such as food, feed, materials and energy.

In their interventions the Commission and ministers focused in particular on how EU and national policies can better support the development of a more sustainable and circular bioeconomy and enhance the benefits and opportunities for primary producers (farmers, foresters and fishermen).

Ministers welcomed the Commission plans to review the EU bioeconomy strategy and highlighted the importance of helping farmers and foresters reap the economic benefits that bioeconomy can bring. This could be done by better integrating them into the bioeconomy value chains.

Member states highlighted the fact that bioeconomy relates to many actors, areas and policies and should therefore be helped by a multidisciplinary, integrated policy approach that enhances the synergies across policies and sectors. Financial instruments and appropriate resources were mentioned as a tool to favour research and innovation, but several member states also stressed the importance of training, disseminating the results of research and of exchanging best practices, knowledge and ideas.

Some delegations were in favour of including actions related to bioeconomy into the discussions on the future of the CAP post 2020, but in general there was agreement on the fact that a lot is already done and can be done at national level.

In 2012 the Commission released an EU bioeconomy Strategy aimed "to pave the way to a more innovative, resource-efficient and competitive society that reconciles food security with the sustainable use of biotic renewable resources for industrial purposes, while ensuring environmental protection" and is planning to table a revision of it in the third quarter of 2018.

The outcome of the ministerial exchange of views will be included in a letter addressed to Commissioners Moedas and Hogan, as well as to the chair of the Competitiveness Council.

EU protein plan

The Commission updated the Council on its intentions for an EU protein plan to address the EU's significant and long-standing feed protein deficit. The plan, which is due to be published by the end of 2018, will focus on: research and innovation, agronomic challenges and the environmental benefits of protein crops, the development of supply/value chains and market potential for EU plant proteins in different market segments.

Ministers welcomed the Commission initiatives and underlined the importance of addressing the issue in a way that is compatible with the protection of environment and the fight against deforestation.

Some member states talked about the possibility of including economic incentives for protein plants within the future CAP rules and others mentioned the importance of retaining coupled support.

The Council had the opportunity to be informed about topics related to the EU protein plan last year, in particular about the 'EU soya declaration' signed by 13 member states on the initiative of Germany and Hungary in June 2017, and about the ministerial conference on "GMO free agriculture: a chance for rural development in Central and South Eastern Europe" in July 2017. This event was linked to the Danube Soya Initiative, which had been launched by Austria and is intended to create a strategic partnership for the production of GMO-free and organic soya in the Danube region.

ANY OTHER BUSINESS

Statement of the Visegrád group and Croatia about the CAP after 2020

The Hungarian delegation presented the joint statement on the future CAP adopted by the Visegrád countries (Czech Republic, Poland, Hungary and Slovakia) and the Croatian minister of Agriculture on 25 January 2018 at a meeting organised by the Hungarian V4 Presidency in Budapest. In their joint statement the above mentioned member states agreed on major issues such as the need to have farmer friendly and simpler rules, to continue with a double pillar structure, SAPs payments and production driven aid and on the key role of investments in rural development.

This AoB point was discussed in the context of the exchange of views on the Communication on "The Future of Food and Farming" / Future CAP.

The contribution of the cohesion and other EU policies to rural development after 2020

The Polish delegation drew the Council's attention to the importance of having a complementary approach of various EU policies, including the cohesion policy, in improving the development of rural areas after 2020.

This AoB point was discussed in the context of the exchange of views on the Communication on "The Future of Food and Farming" / Future CAP.

Launch of the task force for rural Africa

The Commission informed the Council about the impending launch of a Commission task force for rural Africa ('TFRA'). This will consist of a group of experts that will assist the Commission with expertise, advice and possible recommendations in relation to strengthening the EU-Africa partnership in food and farming and in enhancing the role of the EU in African job-creating economic development in agriculture, agri-business and agro-industries. The initiative contributes to the implementation of the Valletta summit objectives of addressing the root causes of migration.

The delegations that took the floor supported the Commission initiative.

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OTHER ITEMS APPROVED

AGRICULTURE AND FISHERIES

Excess sugar levies between 1999 and 2001

The Council decided on a recalculation of the sugar production levies for the years 1999/2000 and 2000/2001 to comply with a judgment of the European Court of Justice (ECJ) from February 2017, which ruled that the production levies for the sugar sector between 1999 and 2001 had been wrongly calculated, resulting in sugar producers being over-charged.

Read full press release

Amendments of pesticides - maximum residue levels

The Council decided not to oppose the adoption of a Commission regulation amending Annexes II, III and IV to regulation (EC) No 396/2005 as regards maximum residue levels for abamectin, beer, fluopyram, fluxapyroxad, maleic hydrazide, mustard seeds powder and tefluthrin in or on certain products (5189/18 + ADD 1 + ADD 2).

Regulation 396/2005 establishes the maximum quantities of pesticide residues permitted in products of animal or vegetable origin intended for human or animal consumption. These maximum residue levels (MRLs) include, on the one hand, MRLs which are specific to particular foodstuffs intended for human or animal consumption and, on the other, a general limit which applies where no specific MRL has been set. MRL applications are communicated to the European Food Safety Authority (EFSA) which issues a scientific opinion on each intended new MRL. Based on EFSA's opinion, the Commission proposes a regulation such as those listed above to establish a new MRL or to amend or remove an existing MRL and modifying the annexes of regulation 396/2005 accordingly.

The new Commission regulations implement a recent EFSA opinion highlighting the possible risks of the above-mentioned MRLs on consumers and animals.

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Fisheries partnership agreement: negotiations between the European Union and the Kingdom of Morocco

The Council adopted a Decision authorising the opening of negotiations between the EU and the Kingdom of Morocco on a protocol implementing the Fisheries Partnership Agreement (FPA) existing between the European Union and the Kingdom of Morocco.

The current FPA between the European Union and the Kingdom of Morocco entered into force on 28 February 2007 and was implemented by successive protocols enabling Union vessels targeting pelagic and demersal species to access the fishing zone of Morocco. The latest protocol is valid until 14 July 2018.

The overall objective of the negotiations on a new protocol is to promote sustainable and responsible fishing, as well as contributing to the strict observance of international law, while ensuring mutual benefits for the EU and Morocco.

TRANSPORT

Marine equipment - electronic tagging

The Council decided not to object to a Commission delegated regulation supplementing directive 2014/90/EU as regards the identification of specific items of marine equipment which can benefit from electronic tagging (5437/18 + 5437/18 ADD 1).

The regulation is a delegated act pursuant to article 290 of the Treaty on the Functioning of the EU. This means that now that the Council has given its consent, the act can enter into force, unless the European Parliament objects to it.

EU-Western Balkans Transport Community

The Council adopted a decision on the position to be taken on behalf of the EU within the Ministerial Council set up under the EU-Western Balkans Transport Community Treaty as regards the adoption of the Ministerial Council's Rules of Procedure. The Ministerial Council is the highest body under that Treaty. It meets on an annual basis.

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