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OUTCOME OF THE COUNCIL MEETING

3593rd Council meeting

Agriculture and Fisheries

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President **Rumen Porodzanov**
Minister for agriculture, food and forestry of Bulgaria

P R E S S

Rue de la Loi 175 B – 1048 BRUSSELS Tel.: +32 (0)2 281 6319 Fax: +32 (0)2 281 8026
press.office@consilium.europa.eu <http://www.consilium.europa.eu/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

Work programme of the presidency

The Bulgarian presidency presented its [work programme](#) and outlined its main priorities in the agriculture and fisheries sectors.

The modernisation and simplification of the Common Agricultural Policy (CAP) after 2020 and the budget for agriculture in the next Multiannual Financial Framework will be the main priority in the area of agriculture, followed by the close monitoring of agricultural markets, particularly as far as sensitive sectors are concerned. The presidency will also look to make progress in combating unfair trade practices and in the negotiations on the proposed regulation on spirit drinks.

Concerning the forestry sector, the presidency will prepare for the EU's participation in the 13th session of the UN Forestry Forum (UNFF) and continue to consult on ways to renew the negotiations on a legally binding agreement on forests.

In the veterinary sector, the presidency will focus on sustainable animal health management, with particular emphasis on the role of wild animals in disease management, and animal welfare. The presidency will also endeavour to make progress in the proposed regulations on veterinary medicinal products and medicated feeds. Readiness for emergency response and capacity-building in the area of plant health will also be key during the first half of 2018.

Finally, in the fisheries sector, the presidency will work on various multiannual management plans, namely for the Western Atlantic and Western Mediterranean waters (to be presented by the Commission in the coming months), and the North and Adriatic Seas. The presidency will start interinstitutional trilogues on technical measures and the proposal for a regulation laying down management, conservation and control measures, applicable in the Convention Area of the South Pacific Regional Fisheries Management Organisation (SPRFMO).

Communication from the Commission on the future of food and farming

Ministers exchanged views on the [communication on the future of food and farming](#), which sets out the Commission's vision for the future CAP period after 2020. At a public session, the Council focused in particular on the CAP's added value, the key objectives to be set at EU level and the appropriate level of subsidiarity.

In the ensuing debate ministers emphasised the added value of the CAP for farmers, citizens and society as a whole, and its key role in providing safe, high-quality food in sufficient quantities, protecting the environment, mitigating climate change and keeping rural areas strong and sustainable, contributing to a fair income for farmers and maintaining agricultural production throughout the EU, including in less favoured areas.

Several ministers considered that the CAP's added value could be further enhanced, in particular with regard to protecting the environment, adapting and mitigating climate change and meeting the UN 2030 Sustainable Development Goals. However, this would only be possible through a trust-based partnership with farmers. Therefore, it is important that farmers remain at the centre of the policy and that the CAP after 2020 provide them with the right incentives.

Many ministers made it clear that the added value achieved so far had been possible only thanks to the current level of EU support. If farmers are to continue to provide these and further public goods, they should be rewarded accordingly.

In addition ministers considered that the CAP objectives set out in the Treaty on the Functioning of the European Union (TFEU) were still valid, and stressed in particular the importance of ensuring farmers a fair standard of living. They also emphasised the need for the CAP to ensure equal treatment and fair competition among farmers, as well as with all others in the food chain.

Ministers generally welcomed the Commission's suggestion to increase the current level of subsidiarity. At the same time, they stressed the importance of simplification and sufficient flexibility for member states to take into account national and regional specificities, without undermining the level playing field. Delegations advocated reducing the administrative burden for both farmers and public authorities and preventing delays in payments, building on the lessons learned from the Rural Development Programmes. Several ministers considered that greater subsidiarity should not compromise the 'common' character of the CAP, which should remain a truly European policy. Any 're-nationalisation' or fragmentation of the CAP would compromise its added value. The greater subsidiarity should be implemented in such way as to enable the Member States to take pertinent tailor-made strategic national choices, while truly contributing to objectives agreed at EU level.

With specific regard to the 'CAP Strategic Plans' proposed in the communication, ministers required further information in order to better understand their impact (in particular on the first pillar).

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.

Market situation

The Commission provided its regular update on the market situation in the main agricultural sectors, with a focus on sugar, milk and pigmeat.

Concerning sugar, the Commission considered that current market developments were naturally linked to the end of quotas and that, despite the decrease in sugar prices, no market measures were necessary yet. In the pigmeat sector decreasing prices following an expansion of production will allow the EU to reinforce its competitiveness on the export markets. With regard to the dairy sector the Commission nonetheless warned against unduly increasing milk production, as oversupply in the market together with the accumulation of skimmed milk powder (SMP) stocks at EU level could endanger market stability.

Ministers asked the Commission to continue to closely monitor market developments, especially in relation to sanitary and phytosanitary issues, challenging weather conditions and the possible impact of free trade agreements on sensitive agricultural products.

Three 'any other business' points focusing specifically on EU SMP stocks and the sugar and pigmeat markets were also considered jointly with the general market situation (see below).

Following a continued crisis affecting several agricultural sectors – notably the dairy, pigmeat and fruit and vegetables sectors – the Council endorsed three consecutive packages of support measures for farmers in September 2015, March 2016 and July 2016.

The last Council discussion on developments in the most important agricultural markets took place in October 2017. On that occasion ministers largely agreed with the Commission's assessment that markets were in the process of recovering, but also restated the need to keep a close eye on future developments.

International trade issues

The Commission updated ministers on international agricultural trade issues with a focus on the most recent events: the WTO ministerial meeting in Buenos Aires in December 2017, and the progress made in the negotiations with Mercosur and Mexico. Regarding the latter negotiations, it also took the opportunity to restate its commitment to concluding a balanced and ambitious agreement in the short term. The Commission also informed ministers about the diplomatic offensive carried out by the EU to try to open up new world markets and promote EU agricultural products.

Ministers had the opportunity to share their views on the agricultural aspects of ongoing free trade negotiations. They expressed their concerns in particular about the possible outcome of negotiations with Mexico and Mercosur, notably in relation to sensitive sectors such as beef, ethanol, sugar and poultry. Some asked for strong protection of geographical indications.

While some delegations were openly against further concessions on agricultural issues, others underlined the importance of keeping momentum and finalising the agreements while it was still possible, and especially in the light of stalled multilateral negotiations within the WTO.

The last Council discussion on trade-related agricultural issues took place in November 2017.

ANY OTHER BUSINESS

– Sugar market

In the context of the exchange of views on the market situation, the Polish delegation expressed its concerns about the downward trend in sugar prices in the EU market. It also took the opportunity to request special protection and monitoring for EU beet sugar production.

The Polish concerns were shared by a number of delegations, which highlighted how the market prices were getting close to the reference prices. The Commission nonetheless considered that no market measures were necessary yet.

– Pigmeat market

In the context of the exchange of views on the market situation, the Polish delegation informed the Council about the situation of its domestic pigmeat sector, and in particular about the decrease in prices and difficulties linked to African swine fever. Poland encouraged the Commission to take action, including through aid for private storage, financial support for pig producers and export refunds.

The point was supported by several delegations.

– ***Public stocks of skimmed milk powder***

In the context of the exchange of views on the market situation, the Belgian delegation drew the Council's attention to the state of EU public stocks of SMP, which have significantly increased since 2016. The Belgian delegation also encouraged the Commission to find a short- and medium-term solution to reduce the level of those stocks to avoid a negative impact on dairy prices.

Concerning the possible ways of disposing of EU SMP stocks, the ministerial debate was fed by a French non-paper setting out possible ways forward, such as disposal by auction, use of SMP for animal feed, and use of SMP to increase support for the most deprived or combat undernutrition among hospital patients and residents in retirement homes for the dependent elderly.

Delegations generally shared the Belgian and French concerns about the state of EU stocks and their potentially destabilising impact on the dairy market. They invited the Commission to dispose of the SMP stocks quickly without disturbing the market, in line with the French proposals.

– ***Conclusions of the ministerial conference on *Xylella fastidiosa* – Paris, 1 December 2017***

The French delegation presented the conclusions of the conference in Paris last December that gathered ministers from the European member states most affected by the plant disease *Xylella fastidiosa*.

The participants committed to tackling *Xylella* by adopting a road map to strengthen controls for this disease. The key points of the agreement relate to improving knowledge through support for applied research programmes, strengthening surveillance measures to ensure early detection and rapid eradication of any new outbreaks, and strengthening awareness-raising and information measures.

Several delegations welcomed the conclusions of the event and stressed the importance of implementing the agreed actions. The Commission asked member states to join forces and keep prioritising the fight against the disease and more generally to devote adequate resources to the fight against plant diseases.

– ***10th Global Forum for Food and Agriculture, 'Shaping the Future of Livestock – sustainably, responsibly, efficiently' – Berlin, 18-20 January 2018***

The German delegation reported on the outcome of the 10th Global Forum for Food and Agriculture, which took place in Berlin in January 2018 and focused on responsible and sustainable animal husbandry.

The Global Forum for Food and Agriculture (GFFA) is an international conference that focuses on central questions concerning the future of the global agri-food industry. The 10th GFFA took place in the context of International Green Week, and gave representatives from the worlds of politics, business, science and civil society an opportunity to share ideas on the future of the livestock sector and on possible ways to strike a balance between meeting the growing global need for foodstuffs of animal origin, and making production more environmentally friendly and climate-friendly, while fulfilling consumer expectations regarding animal welfare.

– ***African swine fever***

The German delegation presented the outcome of the high level meeting on African swine fever (ASF) that took place on 19 January 2018 as part of International Green Week, while the Czech delegation presented a paper on eradicating ASF in the EU through better use of research. The Czech delegation asked in particular to strengthen European research through a central coordination role for the Commission and more EU funds.

Both initiatives were supported by several delegations, which expressed their continued concern about the possible further spread of the disease and potential repercussions for the pigmeat market.

The Commission representative recalled that so far ASF had not spread in the EU as much as in other parts of Europe and remained under control. He recalled all actions implemented, including on research, and insisted on the importance of a good cooperation among authorities.

– ***FAO lunch***

Ministers had an informal lunch discussion on a possible coordinated EU approach in view of the forthcoming election of a new FAO director-general in 2019. The debate was part of the ongoing reflection on the EU's medium-term objectives and priorities for the FAO.

During the lunch ministers unanimously supported the idea of having a strategic and coordinated approach to the election of the director-general in 2019.

OTHER ITEMS APPROVED

AGRICULTURE

Public intervention for skimmed milk powder

The Council decided on a temporary change to the operation of the public intervention mechanism for skimmed milk powder. It did so by slightly amending the so-called fixing regulation, which determines measures for fixing certain aids and refunds related to the common organisation of the markets in agricultural products. The Council decided in particular to set the quantitative limitation for buying in skimmed milk powder at a fixed price at zero tonnes for 2018.

See [press release](#).

European Union reference laboratory for African horse sickness

The Council decided not to oppose the adoption of a Commission regulation laying down additional responsibilities and tasks for the EU reference laboratory for African horse sickness and amending annex II to Council directive 92/35/EEC, annex II to Council directive 2000/75/EC and annex VII to regulation (EC) no 882/2004 of the European Parliament and of the Council ([15524/17](#) + [ADD 1](#)).

As a consequence of the United Kingdom's notification in accordance with Article 50 of the Treaty on European Union, the AFRC Institute for Animal Health in Pirbright will have to discontinue its function as the European Union reference laboratory for bluetongue.

In view of the synergies in technical expertise, laboratory capacity and networking with national reference laboratories arising from the genetic and epidemiological relatedness of African horse sickness and bluetongue, the new Commission regulation decided that the current EU reference laboratory for African horse sickness (Laboratorio Central de Veterinaria - Sanidad Animal in Madrid, Spain, of the Ministry of Agriculture, Fisheries and Food of Spain) should also assume the responsibilities of the European Union reference laboratory for bluetongue.

European Union reference laboratory for fish and crustacean diseases

The Council decided not to oppose the adoption of a Commission regulation laying down additional responsibilities and tasks for the EU reference laboratory for fish and crustacean diseases and amending annex VII to regulation (EC) no 882/2004 of the European Parliament and of the Council ([15525/17](#)).

As a consequence of the United Kingdom's notification in accordance with Article 50 of the Treaty on European Union, the function of Cefas (Centre for Environment, Fisheries and Aquaculture Science in Weymouth, United Kingdom) as EU reference laboratory for crustacean diseases cannot be continued for a further period starting on 1 July 2018.

In view of the synergies in technical expertise, laboratory capacity and networking with national reference laboratories, the new Commission regulation decided that the current EU reference laboratory for fish diseases (Danmarks Tekniske Universitet, Veterinærinstituttet Afdeling for Diagnostik og Beredskab - Fiskesygdomme, in Lyngby, Denmark) should also take over the tasks and functions of the EU reference laboratory for crustacean diseases from 2018 to 2023.

FOREIGN AFFAIRS

EU-Georgia Association Council

The Council adopted the agenda, the EU position and an orientation note for the Association Council between the EU and Georgia, which will be held on Monday 5 February.

[EU-Georgia relations - factsheet](#)

Tunisia: restrictive measures for the misappropriation of state funds

The Council extended until 31 January 2018 a freeze on the assets of 48 persons deemed to be responsible for the misappropriation of state funds in Tunisia and those persons and entities associated with them.

The sanctions were initially introduced on 31 January 2011, targeting former president Zine El Abidine Ben Ali, his wife and 46 other persons. The Council considered that the misappropriation of state funds was depriving the Tunisian people of the benefits of the sustainable development of their economy and society and undermining the development of democracy in the country. Those restrictive asset-freezing measures have been renewed every year since 2011.

JUSTICE AND HOME AFFAIRS**Irregular Migration Management Application (IRMA)**

The Council endorsed IRMA's return operational data collection and data encryption scheme (5202/18). These two guidelines have been developed to further support member states in the implementation of return.

The Irregular Migration Management Application (IRMA) is a secure electronic platform which connects member states and Schengen associated states, the European Commission, the European Border and Coast Guard Agency and the relevant EU-funded programmes at operational, practitioner level in order to build synergies and to enable work in a mutually reinforcing way.

Schengen evaluation - Iceland

The Council adopted an implementing decision setting out a recommendation on addressing the serious deficiencies identified in the 2017 evaluation of Iceland on the application of the Schengen acquis in the field of management of the external border (5741/18).

Schengen evaluation - Denmark

The Council adopted an implementing decision setting out a recommendation on addressing the deficiencies identified in the 2017 evaluation of Denmark on the application of the Schengen acquis in the field of management of the external border (5740/18).

Admission procedures - Ethiopia

The Council approved the admission procedures for the return of Ethiopians from European Union member states, agreed with the Ethiopian authorities.

TRADE POLICY

Products included in the scheme of generalised tariff preferences

The Council decided not to object to a Commission delegated regulation to amend the list of products included in the general arrangement of the GSP, as well as in the special incentive arrangement for sustainable development and good governance (GSP+), in order to align it with the 'combined nomenclature' used to declare goods to customs in the EU.

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

Additional customs duties on US products

The Council adopted a regulation imposing additional customs duties on imports of certain products from the United States.

The regulation follows up on a decision of the WTO appellate body, finding that the Continued Dumping and Subsidy Offset Act (CDSOA) is incompatible with the United States' obligations under the WTO agreements and therefore allows the EU to suspend the application of its tariff concessions and related obligations under the General Agreement on Tariffs and Trade (GATT) 1994 to the United States.

EUROPEAN ECONOMIC AREA

EEA Agreement - incorporation of EU legislation

The Council adopted two decisions establishing the EU position to be taken in the Joint Committee of the European Economic Area (EEA) concerning amendments to annexes XI (electronic communication, audiovisual services and information society) and XIII (transport) to the EEA Agreement.

The decisions are designed to incorporate the following EU acts into the EEA Agreement:

- regulation (EU) no 910/2014 on electronic identification and trust services for electronic transactions in the internal market
- directive 2014/94/EU on the deployment of alternative fuels infrastructure

TRANSPORT

Single European rail traffic management system

The Council adopted conclusions on the European Court of Auditors' Special Report No 13/2017: 'A single European rail traffic management system: will the political choice ever become reality?' ([5300/18](#)).

Air transport agreement with the USA

The Council adopted a decision on the conclusion of the air transport agreement between the European Community and its member states, of the one part, and the United States of America, of the other part.

HEALTH

Traceability system for tobacco products

The Council decided not to object to Commission regulation (EU) .../... of 15 December 2017 on elements of data storage contracts concluded as part of a traceability system for tobacco products. The contracts are concluded between manufacturers and importers of tobacco products and third parties (providers of primary repositories) that will host the data related to their tobacco products and recorded under the traceability system ([15856/17](#)).

Under the traceability system, all unit packets of tobacco products produced in, destined for or placed on the EU market are to be marked with a unique identifier in order for their movements to be recorded.

ENVIRONMENT

Sectoral reference document on best environmental management practices in agriculture

The Council decided not to oppose the adoption of a Commission decision on the sectoral reference document on best environmental management practices, sector environmental performance indicators and benchmarks of excellence for the agriculture sector ([14315/17](#) and [annex](#)).

EMAS is a voluntary eco-management and audit scheme for organisations committed to continuous environmental improvement. Within this framework, the sectoral reference document gives information on best environmental management practices, as well as appropriate sector-specific environmental performance indicators to measure their environmental performance, and benchmarks of excellence. This document describes methods for sustainable farm and land management, including waste management on farms and landscape-level biodiversity management, as well as soil quality management, including drainage and measures to avoid erosion and compaction. It includes recommended sector-specific key environmental performance indicators.

This 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 it unless the European Parliament objects.

INTERNAL MARKET

Type approval for L-category vehicles

The Council decided not to object to the adoption by the Commission of a regulation ([15857/17](#) and [15857/17 ADD1](#)) amending:

- regulation [44/2014](#) as regards vehicle construction and general requirements, and
- regulation [134/2014](#) as regards environmental and propulsion unit performance requirements for the approval of two- or three-wheel vehicles and quadricycles

The new regulation aims to improve and adapt to technical progress the legal framework for the type approval of L-category vehicles, which covers a wide range of light vehicles such as powered cycles, mopeds, motorcycles and quads.

Type approval requirements applying to L-category vehicles are set out in [regulation 167/2013](#), which has been applicable on a mandatory basis since 1 January 2016, together with its four delegated and implementing acts.

The new Commission regulation is a delegated act. It can now enter into force unless the European Parliament objects.

APPOINTMENTS

Court of Auditors

The Council appointed the following persons as members of the European Court of Auditors for the period running from 1 March 2018 to 29 February 2024:

- Mr Tony Murphy

- Ms Eva Lindström

Mr Murphy and Ms Lindström are both new members of the Court of Auditors.

In total, the term of office of 9 Court members expires in 2018. The Court member for Belgium still needs to be appointed.

The Court of Auditors is made up of 28 members, one from each member state, appointed for a renewable term of 6 years. The members elect one of their number as president for a renewable term of three years.
