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## OUTCOME OF THE COUNCIL MEETING

3689th Council meeting

### Agriculture and Fisheries

Brussels, 14 May 2019

President **Petre Daea**  
Minister of Agriculture and Rural Development of  
Romania

# P R E S S

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## **ITEMS DEBATED**

### **AGRICULTURE**

#### **Post-2020 Common Agricultural Policy (CAP) reform package: strategic plans**

In public session the Council exchanged views on the CAP reform package, with a specific focus on the proposed "new delivery model" within the draft regulation on CAP strategic plans.

The debate was based on a presidency background document inviting ministers to answer questions on the frequency of milestones and performance review, and on unit amounts for non-area/animal-based interventions.

On the issue of frequency, the majority of delegations expressed misgivings on annual milestones and preferred either biennial milestones, or the possibility to set milestones only in the middle and at the end of the implementation period.

Only a few delegations agreed with an annual milestones and annual performance review, as proposed by the Commission.

Ministers generally supported a "progressive" approach, under which higher deviations from planned milestones would be accepted at the beginning of the implementation period and would decrease over time. Some requested increasing the tolerance margin to 35% or more during the whole period and having the flexibility to adapt milestones.

On the issue of unit amounts for non-area/animal-related payments, the vast majority of delegations considered that unit amounts would represent a serious challenge and they therefore agreed that more flexibility was necessary to avoid the burden of setting those amounts, justifying deviations and risking payment suspensions.

Ministers also took the opportunity to reiterate some of their concerns, for instance on the 15/02 deadline for the annual performance report, the need for appropriate CAP funding, and the need to ensure simplification of the CAP.

### Key issues of the new delivery model

For the CAP post-2020 the Commission proposed shifting from a compliance-based policy to a performance-based one focusing on outputs and results (the “new delivery model”). This principle has generally been supported by member states.

The key constituting elements of the performance framework of the "new delivery model" are the governance system, the annual performance clearance (within the Horizontal regulation) and the performance review. Setting the unit amounts in advance within the CAP Strategic Plans is of key importance for the performance clearance. Matching expenditure with reported outputs (unit amount), the assessment of the governance systems, as well as the monitoring of implementation by reviewing the progress towards annual milestones based on result indicators, are key elements too.

### **A Clean Planet for all: strategic long-term vision for a climate neutral economy - agricultural aspects**

In public session the Council held an exchange of views on the Commission's communication 'A Clean Planet for all', focusing in particular on its agricultural aspects.

The communication 'A Clean Planet for all' sets out a vision of how the EU could contribute in the long term to achieving the Paris Agreement goals. Its aim is to launch a broad debate involving European decision-makers and citizens on how Europe should prepare itself towards a 2050 horizon. In order to do that the communication highlights the transformations required in all sectors of the economy, including agriculture, with a view to achieving the transition to a net-zero greenhouse gas emissions economy.

After an introductory presentation by the Commission, ministers were invited to focus their interventions on the overall assessment of the communication, and the priority actions to be undertaken in the agricultural field, both at national and EU level.

Ministers generally considered that, as far as agriculture and forestry were concerned, the communication set the right direction. Many reiterated that, although the first and main role of agriculture should be to ensure food security, agriculture and forestry could also further contribute to limiting greenhouse gas emissions. Delegations highlighted in particular the potential of forestry in this context.

Regarding concrete actions to be undertaken, ministers considered that high potential initiatives could be, for instance, to ensure sustainable forest and biomass management, including through afforestation initiatives; stimulate a circular economy and bioeconomy; make greater use of R&D and innovation, digitisation and knowledge transfer; reduce the use of resources and food waste; ensure adequate financing of climate objectives in agriculture and forestry, not only under the CAP; and raise awareness among farmers.

Ministers in general considered that it was necessary to tailor interventions according to the specificities of individual member states and sectors, and that the future CAP would play an important role in making steps towards carbon neutrality. In this light, some delegations reiterated their complaints against the proposed budget cuts for the future CAP, particularly in relation to rural development.

The communication 'A Clean Planet for all: A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy' (15011/18) was adopted by the Commission on 28 November 2018 and since then it has been already debated in various Council configurations (TTE, Environment, and Competitiveness), in line with the presidency's aim to hold debates in all relevant sectorial Councils.

The EU should submit its long-term strategy in 2020 to the UN Framework Convention on Climate Change.

### **Trade-related agricultural issues**

As a continuation of the practice at previous meetings of the Agriculture and Fisheries Council, the Commission was invited to provide an update on the performance of EU agricultural trade, its diplomatic offensive to promote European agricultural products in the world, and the already concluded and ongoing trade negotiations having an impact on EU agriculture, including Mercosur, Australia and New Zealand.

Ministers generally welcomed the EU's active approach in the international arena and supported the Commission's efforts to open up new markets and conclude balanced trade agreements. Delegations reiterated a number of well-known concerns in relation, for instance, to negotiations with Mercosur, the United States, Chile and Indonesia. Some asked the Commission to stop granting concessions on products which are highly sensitive for the EU, such as beef, dairy, poultry and rice, and to robustly defend the EU's strategic agricultural interests. A few member states asked the Commission to give better consideration to the cumulative effects of concessions made and not to sacrifice agriculture for the benefit of other sectors in international negotiations.

Ministers also insisted on the need for the EU to promote EU values and standards in trade negotiations, for instance in relation to food safety and animal welfare, and to ensure a level playing field and fair competition for all parties and respect for EU climate goals.

**ANY OTHER BUSINESS*****– Follow-up to the judgment of the European Court of Justice (ECJ) in case C-528/16***

The Dutch delegation, with the support of Estonia, drew the attention of the Council to the follow-up to the ruling of the European Court of Justice (ECJ) in case C-528/16 and asked for a unified EU approach regarding the implementation of EU GMO (genetically modified organism) legislation with regard to mutagenesis and other so-called 'new breeding techniques'.

In case C-528/16 the Court ruled that organisms obtained by mutagenesis are GMOs and are, in principle, subject to the obligations laid down by the GMO Directive.

While noting that the ECJ ruling provided legal clarity as regards the new breeding techniques, the Dutch delegation pointed out that it also triggered questions and challenges, and therefore invited the new Commission to add a review of the EU's GMO legislation to its working programme.

The request for a common EU approach and a review of the current GMO legislation was supported by many delegations. The Commission explained that any new initiative would have to be undertaken by the new Commission, but also reassured member states that in the meantime it would continue to provide support in the implementation of GMO legislation.

***– Situation in the fruit sector***

The Belgian and Polish delegations informed the Council about the difficulties endured by their fruit sectors, with specific reference to pears and apples. They called on the Commission to make additional resources available and to support European apple and pear producers with specific intervention measures as soon as possible.

General concerns were shared by a few member states but while some delegations endorsed the call for specific EU measures, others were against it. The Commission said it would continue to monitor the market situation and it would be in contact with the member states concerned to seek a solution.

– ***Fisheries: Regulation on the European Maritime and Fisheries Fund (EMFF)***

The French, Spanish and Italian delegations presented a joint declaration that underlined the need to simplify the next European Maritime and Fisheries Fund. The declaration focused on several aspects such as co-financing rates, simplification, market management measures, result indicators, outermost regions and small-scale coastal fisheries.

The majority of delegations supported the declaration and restated their priorities for the future EMFF, in particular in relation to the simplification of the EMFF implementation and management, the renewal of fleets, the simplification or increase of co-financing rates, and support for small-scale coastal fisheries, aquaculture and generational renewal.

The Commission warned against a possible increase in fishing capacity, co-financing rates and aid intensity. It recognised the importance of small-scale coastal fisheries but also called on member states to do more to support them.



**OTHER ITEMS APPROVED****AGRICULTURE****Pesticides: maximum residue levels for various substances**

The Council decided not to oppose the adoption of three Commission regulations amending annexes II, III and IV of regulation 396/2005 as regards maximum residue levels for:

- bispyribac, denatonium benzoate, fenoxycarb, flurochloridone, quizalofop-P-ethyl, quizalofop-P-tefuryl, propaquizafop, tebufenozide ([8034/19](#) + [8034/19 ADD 1](#) + [8034/19 ADD 2](#))
- aclonifen, Beauveria bassiana strain PPRI 5339, Clonostachys rosea strain J1446, fenpyrazamine, mefentrifluconazole and penconazole ([8132/19](#) + [8132/19 ADD 1](#) + [8132/19 ADD 2](#))
- aminopyralid, captan, cyazofamid, flutianil, kresoxim-methyl, lambda-cyhalothrin, mandipropamid, pyraclostrobin, spiromesifen, spirotetramat, teflubenzuron and tetraconazole ([8139/19](#) + [8139/19 ADD 1](#) + [8139/19 ADD 2](#)) in or on certain products.

**FISHERIES****NAFO regulation adopted**

The Council adopted a regulation laying down conservation and enforcement measures applicable in the regulatory area of the Northwest Atlantic Fisheries Organisation (NAFO), amending regulation 2016/1627 and repealing Council regulations 2115/2005 and 1386/2007 ([PE-CONS 34/19](#)).

The EU is party to NAFO, which has the authority to adopt legally binding decisions for the conservation of fishery resources under its purview. Upon their entry into force, the NAFO conservation and enforcement measures (CEM) are binding on all NAFO contracting parties and, in the case of the EU, are to be incorporated into Union law to the extent to which they are not already covered by Union law.

Taking into account that certain provisions of the CEM are being amended more frequently by NAFO contracting parties and are likely to be further amended in the future, the new regulation grants delegated powers to the Commission with the aim of swiftly incorporating into Union law future amendments to the CEM.

### **EU position in various international negotiations**

The Council adopted various decisions setting out the position to be taken on behalf of the EU in several fisheries-related international negotiations, notably:

- Council Decision on the EU position in the annual Conference of the Parties to the Convention on the Conservation and Management of Pollock Resources in the Central Bering Sea
- Council Decision on the EU position in the Commission for the Conservation of Antarctic Marine Living Resources (CCAMLR)
- Council Decision on the EU position in the Extended Commission of the Convention for the Conservation of Southern Bluefin Tuna (CCSBT)
- Council Decision on the EU position in the General Fisheries Commission for the Mediterranean (GFCM)
- Council Decision on the EU position in the Inter-American Tropical Tuna Commission (IATTC) and the Meeting of the Parties to the Agreement on the International Dolphin Conservation Programme
- Council Decision on the EU position in the International Commission for the Conservation of Atlantic Tunas (ICCAT)
- Council Decision on the EU position in the Indian Ocean Tuna Commission (IOTC)

- Council Decision on the EU position in the Northwest Atlantic Fisheries Organisation (NAFO)
- Council Decision on the EU position in the North Atlantic Salmon Conservation Organisation (NASCO)
- Council Decision on the EU position in the North-East Atlantic Fisheries Commission (NEAFC)
- Council Decision on the EU position in the South East Atlantic Fisheries Organisation (SEAFO)
- Council Decision on the EU position in the Meeting of the Parties of the Southern Indian Ocean Fisheries Agreement (SIOFA)
- Council Decision on the EU position in the South Pacific Regional Fisheries Management Organisation (SPRFMO)
- Council Decision on the EU position in the Western and Central Pacific Fisheries Commission (WCPFC)

## **ECONOMIC AND FINANCIAL AFFAIRS**

### **Banking package**

The Council today adopted a comprehensive legislative package which will reduce risks in the banking sector and further reinforce banks' ability to withstand potential shocks.

The package contains amendments to the capital requirement legislation (regulation 575/2013 and directive 2013/36/EU) which reinforce the capital and liquidity positions of banks, and strengthens the framework for the recovery and resolution of banks in difficulty (directive 2014/59/EU and regulation 806/2014).

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

## **Rules on financial derivatives and clearing**

The Council today adopted a regulation improving the existing regulatory framework applying to the over-the-counter (OTC) derivative market.

The European Market Infrastructure Regulation (EMIR), adopted in 2012, forms part of the European regulatory response to the financial crisis, and specifically addresses the problems encountered in the functioning of the OTC derivatives market during the 2007-2008 financial crisis.

The regulation adopted by ministers today amends and simplifies the EMIR to address disproportionate compliance costs, transparency issues and insufficient access to clearing for certain counterparties.

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

## **BUDGETS**

### **Fighting fraud in EU spending**

The Council adopted the following conclusions on the European Court of Auditors' special report No 1/2019 'Fighting fraud in EU spending: action needed':

"THE COUNCIL OF THE EUROPEAN UNION:

1. WELCOMES the European Court of Auditors' (the Court) special report on fighting fraud in EU spending. STRESSES that fraud detection and prevention is essential for the EU's financial management and RECOGNISES the importance of the fact that the Commission and the Member States have a shared responsibility to counter fraud and any other illegal activities affecting the financial interests of the Union.
2. TAKES NOTE of the Court's observations concerning the amount and level of information on EU fraud available to the Commission. ACKNOWLEDGES, however, the substantial efforts undertaken by the Commission and OLAF to collect comprehensive information and RECOGNISES the need for a proportionate approach to collecting more information in comparison to the financial benefits.

3. SUPPORTS the Court's recommendation to the Commission and the Member States to make better use of fraud prevention tools and CALLS ON the Commission to continue working with the Member States on improving irregularity reporting, notably through the Irregularity Management System (IMS).
4. Notes with concern the Court's opinion on the low rate of recovery of misused funds recommended to be recovered pursuant to the European Anti-Fraud Office's (OLAF) investigations and the low rate of follow up of judicial recommendations and calls on the Commission and Member States to improve it.
5. LOOKS FORWARD to the publication by the Commission of the study on Member States' compliance with the requirement to carry out a fraud risk assessment as required by the Common Provision Regulation<sup>1</sup> and CALLS ON the Commission and the Member States to improve follow-up of OLAF investigations.
6. NOTES the Court's recommendation to reconsider OLAF's role and responsibilities in combatting fraud in EU spending in light of the establishment of the European Public Prosecutor's Office (the EPPO) and HIGHLIGHTS the ongoing work of the Working Party on Combating Fraud in the discussions on the proposal for amendments to Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council concerning investigations conducted by the European Anti-Fraud Office (OLAF)<sup>2</sup> to the new situation.
7. INVITES the Court to keep the Council updated in the coming years on the progress made by the Member States and the EU institutions in improving financial management of EU funds, notably on the impact of the EPPO in fighting EU fraud, and, in particular, to consider and monitor concrete recommendations for improvements."

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<sup>1</sup> See Article 125(4)(c) of Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347, 20.12.2013, p. 320).

<sup>2</sup> Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ L 248, 18.9.2013, p. 1).

## **JUSTICE AND HOME AFFAIRS**

### **Interoperability regulations**

The Council adopted two regulations establishing a framework for interoperability between EU information systems in the area of justice and home affairs ([PE-CONS 30/19](#), [PE-CONS 31/19](#)). Easier information sharing will considerably improve security in the EU, allow for more efficient checks at external borders, improve detection of multiple identities and help prevent and combat illegal migration.

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

### **Council Decision on the exercise of powers by the Secretary-General in the European Chief Prosecutor selection procedure**

The Council adopted a decision ([7626/19](#)) to confer on the Secretary-General of the Council the powers of the appointing authority with regard to complaints within the meaning of Article 90(2) of the Staff Regulations and submitted to the Council by candidates in the selection procedure for the appointment of the European Chief Prosecutor.

### **Council implementing decision approving the conclusion by Eurojust of the agreement on criminal justice cooperation between Eurojust and Denmark**

The Council adopted an implementing decision ([7770/19](#)) approving the conclusion of an agreement on criminal justice cooperation between Eurojust and Denmark.

The conclusion of this agreement is necessary to avoid an operational gap in cooperation between Eurojust and Denmark as from 12 December 2019, the date on which the Eurojust regulation will enter into force.

Pursuant to Protocol No 22 on the position of Denmark, annexed to the Treaty on European Union and the Treaty on the Functioning of the European Union, Denmark is not bound by or subject to the application of Regulation (EU) [2018/1727](#) on Eurojust. Therefore, without such a cooperation agreement, Denmark would have been regarded as a third State with respect to Eurojust as from 12 December 2019.

### **eu-LISA: Schengen associated states**

The Council adopted a decision on the conclusion ([15832/1/18](#)) of a complementary arrangement between the EU and the Schengen associated states (Norway, Iceland, Switzerland, Liechtenstein) on their participation in eu-LISA, the European agency for the operational management of large-scale IT systems in the area of freedom, security and justice ([12367/18](#)).

This allows the Schengen associated states to participate fully in the activities of eu-LISA related to the IT systems in which they take part. This includes voting rights in management board decisions, representation in advisory groups of the agency, budgetary contributions and staff.

### **Schengen evaluation**

The Council adopted an implementing decision setting out a recommendation on addressing the deficiencies identified in the 2018 evaluation of Switzerland on the application of the Schengen acquis in the field of return ([9272/19](#)).

## **INTERNAL MARKET AND INDUSTRY**

### **Regulation on the supplementary protection certificate for medicinal products**

The Council approved the European Parliament's position at first reading on a draft regulation amending regulation (EC) N° 469/2009 concerning the supplementary protection certificate for medicinal products. The Danish, Maltese, Swedish and United Kingdom delegations voted against, while the Austrian and Czech delegations abstained.

The regulation introduces a manufacturing waiver to supplementary protection certificate protection in order to remove the competitive disadvantages EU-based manufacturers of generics and biosimilars are currently facing vis-à-vis manufacturers established outside the EU.

The regulation is therefore adopted in the wording which corresponds to the position of the European Parliament ([PE-CONS 52/19](#)).

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

## **Declaration of low-value consignments**

The Council decided not to object to a Commission regulation amending delegated regulation (EU) 2015/2446 as regards the declaration of certain low-value consignments.

The new regulation provides for an obligation to lodge a standard customs declaration for goods under EUR 22, applicable as from 1 January 2021.

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 ([7688/19](#)+[7688/19 ADD 1](#)).

## **ENERGY**

### **Ecodesign requirements for refrigerating appliances with a direct sales function**

The Council decided not to oppose the adoption of a Commission regulation laying down ecodesign requirements for refrigerating appliances with a direct sales function pursuant to Directive 2009/125/EC of the European Parliament and of the Council. ([8387/19](#))

The regulation concerns supermarket refrigerating (freezer or refrigerator) cabinets, beverage coolers, ice-cream freezers, gelato-scooping cabinets and refrigerated vending machines. As of 1 March 2021, appliances have to comply with requirements related to energy efficiency, reparability and recycling, and availability of information about the product. This is aimed at reducing energy consumption without increasing the combined costs of purchasing and operating the products. ([7265/19](#) + [ADD1](#))

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.



## **Regulation amendment regarding small, medium and large power transformers**

The Council decided not to oppose the adoption of a Commission regulation amending Regulation (EU) No 548/2014 of 21 May 2014 on implementing Directive 2009/125/EC of the European Parliament and of the Council with regard to small, medium and large power transformers. ([8389/19](#))

The regulation updates the ecodesign requirements for power transformers set out in Regulation (EU) No 548/2014 following a review carried out by the Commission. ([7292/19](#) + [ADD1](#))

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.

## **Ecodesign requirements for welding equipment**

The Council decided not to oppose the adoption of a Commission regulation laying down ecodesign requirements for welding equipment pursuant to Directive 2009/125/EC of the European Parliament and of the Council. ([7308/19](#))

Under the regulation, as from 1 January 2023 manufacturers will have to comply with requirements regarding the power source efficiency of welding equipment. As from 1 January 2021, manufacturers, authorised representatives or importers will have to make spare parts available for a minimum period of 10 years after the production of the last unit of a welding equipment model. As from 1 January 2021, certain essential information about the products has to be made available. ([7308/19](#) + [ADD1](#))

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.

## **TRANSPORT**

### **Air services agreement with the Philippines**

The Council adopted a decision on the conclusion of the agreement between the EU and the Philippines on certain aspects of air services ([8813/19](#); [15056/18](#)).