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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.
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ITEMS DEBATED

Work programme of Finland's presidency

In public session, Finland's presidency presented its [work programme](#) and outlined its main priorities in the agriculture and fisheries sectors.

The cross-cutting theme of the Finnish presidency will be sustainability.

In the field of [agriculture](#), the presidency's priority will be to continue negotiations on the Commission proposals on the post-2020 reform of the Common Agricultural Policy (CAP). In light of the increasing strategic and economic value of food, clean water and sustainable agriculture, the presidency will promote a CAP that can better respond to environmental issues and climate change. In line with the EU's Strategic Agenda 2019-2024 adopted by the [European Council](#) on 20 June 2019, the presidency will also promote sustainable agriculture ensuring good management of natural resources, preservation of biodiversity and animal welfare.

The monitoring of the market situation, and issues related to international trade, the bioeconomy and forestry will also be priorities in the coming six months.

Concerning veterinary and sanitary and phytosanitary (SPS) measures, the presidency will place particular emphasis on antimicrobial resistance, animal health and welfare, plant health and food safety.

In the field of [fisheries](#), the presidency will lead negotiations on 2020 fishing opportunities for the Baltic Sea, the Black Sea and the Atlantic and North Sea.

Moreover, the presidency will push ahead with the work on the European Maritime and Fisheries Fund (EMFF) as far as possible, and continue discussions on the fisheries control regulation.

Post-2020 Common Agricultural Policy (CAP) reform package: environmental and climate-related aspects

In public session, the Council held an exchange of views on the environmental and climate-related aspects of the post-2020 CAP reform package, which consists of:

- a regulation on CAP strategic plans ([9645/18](#) + [ADD 1](#))
- a regulation on financing, managing and monitoring of the CAP ([9634/18](#) + [ADD 1](#))
- a regulation on the common market organisation of agricultural products ([9556/18](#))

In particular, ministers were invited to address the following questions:

“Taking account of the [European Council](#) conclusions calling upon the Council and the Commission to advance work on the conditions, the incentives and the enabling framework to put in place so as to ensure a transition to a climate neutral EU and the need to fulfill this commitment also in the CAP:

- which elements in the Commission proposals for the post 2020 CAP do you consider to be essential to reach the higher environmental and climate ambition?
- considering the drafting suggestions made by the Austrian and Romanian Presidencies, do you deem any improvements necessary to achieve the higher level of environmental and climate ambition, bearing in mind simplification, feasibility for the farmers and differences in local conditions?”

In the ensuing debate, delegations widely supported a higher level of environmental ambition for the new CAP, but also highlighted the need for an appropriate CAP budget in order to meet the ambitious objectives proposed by the Commission.

Several ministers stressed the importance of ensuring sufficient flexibility to better adapt the requirements for a higher level of environmental and climate ambition to member states’ needs, and of simplifying rules for the benefit of both farmers and national authorities. Incentives for practices beneficial to the environment were considered to be better instruments than penalties to reach environmental objectives.

While many delegations considered that changes to the proposed conditionality system were necessary, positions were still divided on possible exemptions for small farmers, the compulsory or voluntary nature of eco-schemes for member states, and the minimum expenditure for environmental and climate-related practices within the fruit and vegetables schemes.

The Council already had the opportunity to discuss the environmental and climate-related aspects of the post-2020 CAP reform package at its April 2019 session.

The Commission proposals

The Commission's proposals for a CAP reform introduce a new delivery model that will allow member states more flexibility in the way they use EU funds and will allow them to customise their programmes. Each member state would have to draw up a strategic plan setting out how it intends to meet nine EU-wide economic, environmental and social objectives, while taking account of its needs, using direct payments, rural development and market measures. The Commission would approve each plan to ensure consistency and the protection of the single market, and monitor progress towards objectives and targets using a set of result indicators agreed at EU level.

The Commission proposals also outline new obligations and incentives for farmers in the field of environmental and climate action. Direct payments would be conditional on the fulfilment of enhanced environmental and climate requirements and member states would have to offer eco-schemes to support farmers in going beyond the mandatory requirements, funded with a share of their national direct payments' allocations. As in the current programming period, agri-environment-climate commitments would also be available under the second pillar.

Moreover, the new CAP would better target small and young farmers, thereby facilitating generational renewal, and would try to foster greater use of knowledge and innovation.

Report from the high-level group on sugar

The Council was informed about the final report of the high-level group on sugar (11079/19), and its recommendations on how to face the current difficulties in the market and improve the longer term resilience of the sector.

The report was widely welcomed by ministers, who also reiterated widespread concerns about the sugar market situation. Diverging views emerged on the use of market measures to support the sector in its transition, the role of voluntary coupled support, and the use of emergency authorisation for neonicotinoids.

The high-level group on sugar was established in November 2018 by the Commission to ensure a thorough evaluation of the sugar sector at European and national level after the end of the quota system on 30 September 2017. The aim of the group was to discuss the current market situation for sugar, identifying key challenges and opportunities in the transition towards a less regulated market, and to explore and evaluate possible solutions and policy measures addressing the concerns of EU member states.

In its final report, the high-level group acknowledges that the difficult situation of the sugar market is closely linked to the post-quota transition and that the market still needs to find its new balance. The group identifies the following issues as being relevant for the EU sugar market, and makes recommendations on each of them:

- voluntary coupled support
- contractual relations between growers and sugar producers
- risk management tools
- market transparency in the sugar supply chain
- the recent ban on neonicotinoids and the use of emergency authorisation by certain member states
- the international trade dimension
- EU funding of research and innovation activities
- socio-economic aspects of sugar production

OTHER BUSINESS

African swine fever

The Commission drew the attention of the Council to the spread of African swine fever (ASF) in the EU and worldwide.

Nine EU member states are currently affected by the disease: Latvia, Lithuania, Poland, Romania (wild boar and farmed pigs), Bulgaria, Estonia, Hungary, Belgium (wild boar only), and Italy (Sardinia only – unrelated epidemic situation).

While the situation in the EU remains stable, since the last discussion on African swine fever in the Agriculture and Fisheries Council of January 2019, the disease has continued to spread to vast regions of China and other Asian countries (Mongolia, Vietnam, Cambodia, Democratic People's Republic of Korea), raising serious concerns in other countries such as the United States and Canada. The Commission reassured member states that it would remain active in fighting ASF and invited them to remain vigilant and well-prepared, in particular due to the peak of the disease during the summer season. The Commission underlined once again the crucial importance of multi-sectorial cooperation to control the disease.

In the ensuing debate the delegations that took the floor echoed the Commission's views on the importance of a common approach and cross-sectorial collaboration in tackling the disease and underlined the key role of biosecurity and information sharing, as well as sufficient co-financing and respect of international trade standards by the trading partners.

Animal welfare during long-distance transport in the summer months

The Commission urged member states to renew efforts at all levels with the aim of ensuring compliance with existing rules on the protection of animals during transport, in particular over long distances and under hot weather conditions.

Member states generally supported the Commission's plea, in particular with regard to the importance of implementing existing EU rules correctly. Several ministers emphasised the need for a uniform application of animal transport rules within the EU, and others even called for new, stricter measures.

Progress report on low-risk plant protection products and integrated pest management

The Commission presented its progress report on the implementation plan to increase the availability of low-risk plant protection products (PPPs) and to accelerate implementation of integrated pest management (IPM) in member states.

The report highlights that progress has been achieved since 2016 in moving towards more sustainable plant protection practices by EU farmers. However, there are significant divergences and some member states could do more as regards prioritisation and promotion of low-risk active substances and products. Moreover, the report underlines that member states should deploy additional efforts to apply the principles of IPM to concrete farming practices for more crops. Against this background, the Commission called on member states to step up their efforts, in particular with regard to the shorter deadlines for low-risk product authorisation, and to fully implement the principles of IPM (e.g. by defining specific targets, training farmers and improving monitoring).

Many delegations shared the Commission's concerns about reducing the impact of PPPs on human health and the environment, and welcomed its efforts to provide low-risk solutions. Others pointed to the need to offer more alternatives to the substances used today and called on the Commission to take measures to increase the availability of low-risk products, including through the revision of current rules.

Common declaration on the future role of the BIOEAST initiative within Horizon Europe

The Slovak delegation, on behalf of Bulgaria, Croatia, Czechia, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia, presented a common declaration on the future role of the Central and Eastern European initiative for knowledge-based agriculture, aquaculture and forestry in the bioeconomy (BIOEAST) in the context of Horizon Europe.

The declaration stresses the ‘horizontal’ nature of the bioeconomy across agriculture and research, and emphasises the importance of wider participation from Central and Eastern European member states in the future Horizon Europe programme.

The Commission welcomed the declaration and invited the BIOEAST members to make good use of the policy support facility introduced under the updated EU bioeconomy strategy.

The BIOEAST initiative was established in 2016 by the agriculture ministers of the Visegrad group, and currently includes 11 members. Their aim is to promote mutual support, knowledge exchange, exchange of best practice and research and innovation, and to increase the participation of BIOEAST members in the research and innovation framework programmes.

Free trade agreement in principle between the EU and Mercosur

The Commission informed the Council about the [results of the free trade negotiations](#) between the EU and Mercosur.

On 28 June 2019, the European Union and Mercosur member countries Argentina, Brazil, Paraguay and Uruguay concluded longstanding negotiations on a comprehensive trade agreement, which will be part of a wider association agreement between the two regions.

While several delegations welcomed the outcome of the negotiations with Mercosur in principle, some expressed misgivings about its possible effects on agriculture. Ministers reiterated a number of well-known concerns, in particular as regards market access for sensitive products/sectors such as beef, poultry, sugar, rice, honey, ethanol and sparkling wine, SPS issues, as well as issues related to environmental and sustainable development (including deforestation), and the implementation of safeguard clauses.

Outcome of the third African Union–European Union agriculture ministerial conference, Rome, 21 June 2019

The Commission informed the Council about the outcome of the third African Union–European Union agriculture ministerial conference, which took place on 21 June 2019 in Rome.

On that occasion the AU-EU Commissioners signed for the first time a political declaration, endorsed by all member states, along with an Action Agenda, designed to strengthen the intercontinental partnership at all levels of the food supply chain. It provides for a wide set of actions ranging from promoting climate action in agriculture and setting up an AU-EU agribusiness platform to fostering digital agriculture and strengthening food safety governance, building on the March 2019 [recommendations of the Task Force Rural Africa](#).

Several delegations welcomed the outcome of the Ministerial Conference and stressed the importance of the political declaration and the Action Agenda with a view to strengthening cooperation in the agri-food sector and reinforcing the EU's partnership with Africa.

Rice from Myanmar/Burma

The Italian delegation drew the Council's attention to the difficult situation faced by its rice sector in the context of increased imports of japonica rice from Myanmar/Burma to the EU.

The Italian delegation asked the Commission to monitor closely the trend of duty-free imports of milled japonica rice from Myanmar/Burma (under the Everything But Arms scheme for the Least Developed Countries) and the relative impact on the EU market, to provide for effective and proper checks to be activated at the harbours of arrivals, and to open an investigation to establish if the conditions for the reintroduction of normal Common Customs Tariff duties are fulfilled.

The Commission indicated that while it was too early to invoke any safeguard clause, it would continue to monitor the sector closely and to gather evidence of the difficulties faced by producers.

OTHER ITEMS APPROVED**FISHERIES****Negotiations for a sustainable fisheries partnership agreement with Seychelles and Senegal**

The Council adopted two decisions authorising the opening of negotiations with the Republic of Seychelles and the Republic of Senegal for the conclusion of a sustainable fisheries partnership agreement with each, and a protocol implementing those agreements.

EU POSITION IN INTERNATIONAL NEGOTIATIONS**EU-Korea free trade agreement**

The Council adopted a decision on the position to be taken on behalf of the EU within the trade committee established by the free trade agreement between the EU and its member states, of the one part, and the Republic of Korea, of the other part, as regards the amendment of appendices 2-C-2 and 2-C-3 of annex 2-C of the agreement on automotive issues ([10277/19](#)).

EU position in the International Sugar Council on the extension of the International Sugar Agreement

The Council adopted a decision on the position to be taken by the EU within the International Sugar Council as regards the extension of the 1992 International Sugar Agreement ([10949/19](#)).

TRADE**World Trade Organization (WTO) reform**

The Council endorsed a model communication relating to interim arrangements that the EU will seek to put in place to preserve its World Trade Organization (WTO) rights pending the resolution of the blockage of appointments to the WTO Appellate Body.

These arrangements will provide for arbitration, on the basis of Article 25 of the WTO's Understanding on Rules and Procedures Governing the Settlement of Disputes, to decide on appeals from panel reports if, and as long as, the Appellate Body is non-operational due to the blockage of new appointments.

Energy Charter Treaty

The Council took note of the Commission's intervention lodged on behalf of the European Union as a non-disputing party in investor-to-state dispute settlement proceedings against Spain under the Energy Charter Treaty, initiated by EU and third-country investors.

The case in question was filed in October 2017 by a group of investors, one of which is a Swiss company and the others German. The claims appear to arise out of a series of energy reforms undertaken by Spain to implement an obligation arising from the 2009 directive on the promotion of renewable energy (10867/19).

Imports of hormone-free beef

The EU and the United States of America will soon sign an agreement reviewing the functioning of an existing trade arrangement ensuring an autonomous tariff quota (TRQ) for imports of high-quality beef into the EU. This will provide a solution to a longstanding dispute in the World Trade Organization (WTO) on the issue.

The Council adopted a decision on the signing of an agreement between the EU and the United States on the allocation to the US of a share in the TRQ for high-quality beef referred to in the memorandum of understanding regarding the importation of beef from animals not treated with certain growth-promoting hormones and increased duties applied by the US to certain products from the EU, concluded in 2009 and revised in 2014.

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

ECONOMIC AND FINANCIAL AFFAIRS

Mobilisation of European Globalisation Adjustment Fund

The Council adopted a decision to mobilise the European Globalisation Adjustment Fund (EGF) to provide the sum of EUR 610 000 in commitment and payment appropriations. On 2 July 2019, the Commission submitted to the Council a proposal to mobilise the amount to cover technical assistance related to the EGF. The objective of the technical assistance is to finance activities related to monitoring, information exchange, the development of standardised procedures, administrative and technical support for expert group meetings and networking seminars, and ex-post evaluation (10933/19).

Transfer No DEC 06/2019 (Section III — Commission)

The Council approved the transfer of appropriations within Section III — Commission of the general budget for 2019 in relation to the mobilisation of the European Globalisation Adjustment Fund (EGF).

The purpose of this transfer is to move an amount of EUR 610 000 in commitment appropriations from Article 40 02 43 (Reserve for the European Globalisation Adjustment Fund) and EUR 610 000 in payment appropriations from Article 04 04 01 (EGF — to support workers and self-employed persons whose activity has ceased as a result of globalisation) to Item 04 01 04 04 (Support expenditure for the European Globalisation Adjustment Fund) ([10934/19](#)).

INTERNAL MARKET AND INDUSTRY**Constancy of performance of balustrade kits and railing kits**

The Council decided not to object to a Commission decision establishing the applicable systems for assessing and verifying constancy of performance (AVCP) of balustrade kits and railing kits intended to be used in construction works solely to prevent falls and not submitted to vertical loads from the structure.

The decision 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 ([7644/19](#) + [ADD 1](#)).