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European Union

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DRAFT MINUTES
COUNCIL OF THE EUROPEAN UNION
(Agriculture and Fisheries)
25 July 2023

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1. Adoption of the agenda

The Council adopted the agenda set out in document 11917/23 with the addition, at the request from the Presidency, of an item under "Any other business" (**new item 7(e)**).

2. Approval of 'A' items

a) Non-legislative list

11946/23

The Council adopted all "A" items listed in the document above including all linguistic COR and REV documents presented for adoption. Statements to these items are set out in the Addendum.

b) Legislative list (Public deliberation in accordance with Article 16(8) of the Treaty on European Union)

11947/23

Internal Market and Industry

1. Regulation establishing a framework of measures for strengthening Europe's semiconductor ecosystem (Chips Act)



11487/23 + ADD 1
PE-CONS 28/23
COMPET

Adoption of the legislative act

approved by Coreper, Part 1, on 19.07.2023

The Council approved the European Parliament's position at first reading and the proposed act has been adopted pursuant to Article 294(4) of the Treaty on the Functioning of the European Union (legal basis: Articles 114, 173(3), 182(1) and 183 of the TFEU). Statements to this item are set out in the Annex.

Energy

2. Revision of the Energy Efficiency Directive (recast)

Adoption of the legislative act

approved by Coreper, Part 1, on 19.07.2023



11795/2/23 REV 2

11795/23 ADD 1

+ ADD 1 REV 1

(en)

PE-CONS 15/23

ENER

The Council approved the European Parliament's position at first reading and the proposed act has been adopted pursuant to Article 294(4) of the Treaty on the Functioning of the European Union, with Finland, Hungary and Poland voting against and Belgium, Latvia, Portugal and Slovakia abstaining (legal basis: Article 194(2) TFEU). Statements to this item are set out in the Annex.

Transport

3. Regulation on the use of renewable and low-carbon fuels in maritime transport (FuelEU Maritime initiative)

Adoption of the legislative act

approved by Coreper, Part 1, on 19.07.2023



11794/23 + ADD 1

PE-CONS 26/23

TRANS

The Council approved the European Parliament's position at first reading and the proposed act has been adopted pursuant to Article 294(4) of the Treaty on the Functioning of the European Union, with Poland voting against (legal basis: Article 100(2) TFEU). A statement to this item is set out in the Annex.

4. Regulation on the deployment of alternative fuels infrastructure, and repealing Directive 2014/94/EU (AFIR)

Adoption of the legislative act

approved by Coreper, Part 1, on 19.07.2023



11793/23 + ADD 1

PE-CONS 25/23

TRANS

The Council approved the European Parliament's position at first reading and the proposed act has been adopted pursuant to Article 294(4) of the Treaty on the Functioning of the European Union, with Poland and Romania voting against and Italy and Latvia abstaining (legal basis: Article 91 TFEU). Statements to this item are set out in the Annex.

Non-legislative activities

3. Work programme of the Presidency *Presentation by the Presidency*



The Chair presented the Work Programme of the Spanish Presidency concerning the Agriculture and Fisheries sectors.

AGRICULTURE

Non-legislative activities

4. Market situation in particular following the invasion of Ukraine *Information from the Commission and the Member States* *Exchange of views*

11827/23

Legislative deliberations

(Public deliberation in accordance with Article 16(8) of the Treaty on European Union)

5. Regulation on the sustainable use of plant protection products – study complementing the impact assessment *Information from the Commission* *Exchange of views*



11448/23

The Council took note of the information provided by the Commission on its response to the December 2022 Council Decision requesting a study complementing the impact assessment of the proposal for a Regulation on the sustainable use of plant protection products.

The Council also exchanged views on the Commission's above response, on the basis of the two questions proposed by the Presidency and set out in the document above.

6. Regulation on plants obtained by certain new genomic techniques and food and feed products



11725/23

11592/23 + ADD 1

Presentation by the Commission

Exchange of views

The Council took note of the presentation by the Commission on its legislative proposal.

The Council held an exchange of views based on a Presidency note with questions set out in document 11725/23 and took note of the views expressed by delegations.

The Presidency underlined the close relationship and complementarity of the proposals on new genomic techniques and on sustainable use of pesticides. The Presidency took note of the observations and concerns of delegations, and committed to keeping the Council informed of the progress of the technical examination, with a view to reaching the broadest political agreement possible within its term.

Any other business

Agriculture

7. a) The continuing difficult situation on agricultural markets as a result of the Russian aggression against Ukraine and the necessity of prolonging the EU preventive measures for certain products originating in Ukraine beyond 15 September 2023

12006/23

Information from the Polish delegation, on behalf of the Bulgarian, Hungarian, Polish, Romanian and Slovak delegations

- b) **Difficulties farmers are facing due to the war in Ukraine, drought/adverse weather conditions and high input prices - request for derogation**



12005/1/23 REV 1

Information from the Romanian delegation, supported by the Hungarian and Polish delegations

The Council took note of the information provided by the Romanian delegation, supported by the Hungarian and Polish delegations. It also took note of the Commission's and of delegations' reactions.

- c) Fifth African Union-European Union Agriculture Ministerial Conference (Rome, 30 June 2023)

11953/23

Information from the Commission

d) **Current legislative proposals**

(Public deliberation in accordance with Article 16(8) of the Treaty on European Union)

**Regulations on the production and marketing of plant
and forest reproductive material**



11502/23 + ADD 1

11503/23 + ADD 1

Presentation by the Commission

The Council took note of the presentation by the Commission of the legislative proposals on the production and marketing of plant and forest reproductive material.

The Council also took note of the comments made by delegations broadly welcoming the submission of the two proposals and providing, on a preliminary basis, their support to their general objectives.

e) **New item:**

12145/23

Joint letter of Ministers of Agriculture on maintaining the essential competence of the Special Committee on Agriculture (SCA) to prepare decisions of the "Agriculture and Fisheries" Council

Information from the Presidency



First reading



Item based on a Commission proposal



Public debate proposed by the Presidency (Article 8(2) of the Council's Rules of Procedure)

Statements to the legislative "A" items set out in doc. 11947/23**Ad "A" item 1:**

Regulation establishing a framework of measures for strengthening Europe's semiconductor ecosystem (Chips Act)
Adoption of the legislative act

JOINT POLITICAL STATEMENT on the re-use of decommitted funds in Horizon Europe

“Earmarking among the existing envelope of EUR 500 million

In the Joint Declaration on the re-use of decommitted funds in relation to the research programme¹ the European Parliament, the Council and the Commission agreed to make available again to the benefit of the research programme commitment appropriations, corresponding to the amount up to EUR 0.5 billion (in 2018 prices) in the period 2021-2027 of decommitments, which results from total or partial non-implementation of projects belonging to the ‘Horizon Europe’ Framework Programme or its predecessor ‘Horizon 2020’², as provided for in Article 15(3) of the Financial Regulation.

Without prejudice to the powers of the budgetary authority in the framework of the annual budgetary procedure and to the Commission’s powers to implement the budget, the European Parliament and the Council agree that, within the allocation of EUR 0.5 billion (in 2018 prices) stemming from the Joint Declaration on the re-use of decommitted funds mentioned above, an indicative amount of EUR 75 million (in current prices) will be allocated to Chips for Europe research activities, while preserving to the maximum possible extent the allocations of clusters³ which are not closely related to chips.”

JOINT DECLARATION BY THE EUROPEAN PARLIAMENT AND THE COUNCIL on the financing of measures for strengthening Europe's semiconductor ecosystem (Chips Act)

“Without prejudice to the prerogatives of the budgetary authority in the framework of the future annual budgetary procedures, and in line with their commonly expressed budgetary commitment for the Chips Act, the European Parliament and the Council invite the Commission to explore as a matter of priority proposals to reinforce the budget for the Chips Act with any funding in Heading 1 becoming available in order to reach EUR 50 million to complete the financial envelope of EUR 3.3 billion referred to in the Chips Act regulation.”

¹ OJ C 444 I, 22.12.2020, p. 3.

² Regulation (EU) No 1291/2013 of the European Parliament and of the Council of 11 December 2013 establishing Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020) and repealing Decision No 1982/2006/EC (OJ L 347, 20.12.2013, p. 104).

³ OJ C 185 I, 12.05.2021, p. 1.

STATEMENT BY LATVIA

“Latvia acknowledges and recognises the key role of the energy efficiency improvement measures for the reduction of greenhouse gas emissions in reaching the Union’s climate ambitions, as well in ensuring the Union’s and Latvia’s energy security and energy independence targets, that are of utmost importance now.

However, Latvia would like to stress that it is also important to promote energy efficiency measures in the most cost-efficient manner, in order to ensure our competitiveness, economic growth and the well-being of our population.

Hence, Latvia considers that the agreed targets for new savings each year from 1 January 2021 set out in paragraph 1(b) of Article 8, and the measures to be taken to reach those targets in Annex V, are beyond the level of feasibility and impossible to achieve, given Latvia’s national circumstances, the structure of its economy, its energy balance and the possibilities available to its communities. We strongly believe that it is not possible to fulfil the new savings targets in a cost-efficient manner.

Nevertheless, Latvia will make the best efforts to reach the energy savings targets, while strictly maintaining the position that the measures must not endanger the livelihood and well-being of households and businesses.”

STATEMENT BY HUNGARY

“Hungary supports the transition to climate neutrality and is committed to taking effective measures that take into account economic and social feasibility, and ensure security of energy supply and the affordability of energy prices.

However, we are concerned about the increased level of ambition laid down in the final compromise, in particular the objectives set out in Articles 4 and 8, and the limitation of the use of fossil fuels after 2026. We believe the provisions of the Directive will impose a disproportionate economic and social burden on Hungary and that the objectives cannot be implemented cost-effectively. Consequently, the proposal goes beyond the limits of what we can responsibly undertake.

We would also stress that the specificities and different starting positions of the Member States must be duly taken into account when achieving energy savings.

Furthermore, with reference to recital 125 and Article 24(4), where ‘sex’ and ‘gender’ are mentioned together, Hungary interprets the term ‘gender’ to mean ‘sex’ and the term ‘gender equality’ to mean ‘equality between the sexes’, i.e. ‘equal chances and opportunities for women and men’. Hungary recognises and promotes equality between men and women in accordance with the Fundamental Law of Hungary and the primary law, principles and values of the European Union, as well as commitments and principles stemming from international law. Equality between women and men is enshrined as a fundamental value in the Treaties of the European Union.

Due to the above-mentioned concerns, Hungary cannot support the proposal for an Energy Efficiency Directive.”

STATEMENT BY POLAND

“The Republic of Poland agrees that energy efficiency is of crucial importance as a tool for achieving emission reduction targets, improving security of energy supply, reducing the EU’s dependence on fuel imports and protecting final customers.

At the same time, the Polish government identifies risks related to meeting the targets in Articles 4 and 8 of the Energy Efficiency Directive. It should be stressed that the levels of ambition proposed do not take account of their feasibility or the current economic crisis, during which energy efficiency should primarily be implemented using the most cost-effective measures. In its positions, the Republic of Poland has repeatedly emphasised that excessively high targets which do not take account of the individual characteristics of the Member States’ economies may ultimately have negative economic effects.

Furthermore, Poland reiterates its negative position on the ‘Fit for 55’ package as a whole, which sets unrealistic targets and ambitions and has a significant impact on Member States’ energy mix. Poland is of the opinion that most of the package is being dealt with on an incorrect legal basis, which creates a dangerous precedent.”

STATEMENT BY SLOVAKIA

“The Slovak Republic hereby declares that it will abstain from voting on the recast Energy Efficiency Directive.

The Slovak Republic recognises the importance of the Energy Efficiency Directive and the need to promote energy efficiency measures and the use of energy in the most cost-effective manner while ensuring security of supply and reducing dependency on fossil fuel imports.

However, Slovakia considers that the agreed targets contained in Articles 4 and 8 of the Energy Efficiency Directive fall beyond the limits of feasibility, given Slovakia’s national circumstances and the structure of its economy. We firmly believe that these targets cannot be achieved in a cost-effective manner. Nevertheless, we declare that we will make every effort to contribute to meeting these targets, while strictly adhering to the view that the measures should not compromise the livelihood and well-being of households, businesses and industry.”

Ad "A" item 3: **Regulation on the use of renewable and low-carbon fuels in maritime transport (FuelEU Maritime initiative)**
Adoption of the legislative act

STATEMENT BY AUSTRIA

“Overall, the FuelEU Maritime Regulation represents an important step towards the decarbonisation of maritime transport. Austria is in favour of ambitious targets and welcomes the higher GHG reductions and the added RFNBO sub-quota. In this context, however, the equivalence clause is seen as problematic because it undermines this level of ambition and allows the use of ‘low-carbon fuels’ to achieve the sub-quota. The inclusion of these fuels stands in stark contrast with the required level of ambition and the achievement of the climate targets set.

Austria regrets the inclusion of the equivalence clause, which also allows ‘low-carbon fuels’ to be counted towards the achievement of the RFNBO sub-quota, but can, in the spirit of compromise, agree to the compromise text.”

Ad "A" item 4: **Regulation on the deployment of alternative fuels infrastructure, and repealing Directive 2014/94/EU (AFIR)**
Adoption of the legislative act

STATEMENT BY LATVIA

“Latvia fully supports the aim of the proposal for a Regulation of the European Parliament and the Council on the deployment of alternative fuels infrastructure, and repealing Directive 2014/94/EU to develop an EU wide recharging and refueling network. This proposal is an important milestone towards decarbonization of the transport sector and reaching climate neutrality. However, Latvia has concerns about two important elements of the proposal – intermediate targets and required power outputs – and Latvia has serious doubts about the feasibility of achieving the targets in an economically viable manner.

Regarding the required power outputs, especially for heavy-duty vehicle charging pools, the national electricity distribution network must be strengthened for such charging pool connections. The network in Latvia currently lacks capacity across most areas at all voltage levels. Consequently, this is directly interlinked with the possibility to respect the set deadlines for intermediate targets. As the construction of the charging pools may only be ensured only if the strengthening of the grid is performed, the envisaged intermediate targets are too ambitious.

Hence, while still supporting the overall aims of the proposal and its contribution to the zero-pollution ambition of the European Green Deal, Latvia abstains in vote on the proposal.”

STATEMENT BY POLAND

“The Republic of Poland does not support the final proposal for the AFIR Regulation, as drawn up under the trilogues.

The ambitious targets for timescales, capacity, percentage coverage of the TEN-T network and distances between recharging pools, as set out in the general approach adopted on 2 June 2022, are – in the view not only of the Republic of Poland, but also of other countries – a challenge to which we agreed in a spirit of compromise.

Meeting the requirements of the AFIR project, in particular with regard to recharging infrastructure for heavy-duty road transport, involves huge investment and financial outlay to develop the electricity network, in particular the distribution network and in some cases also the transmission network.

Even a small increase in the level of ambition for vehicle recharging infrastructure translates into disproportionately higher costs that countries such as the Republic of Poland have to bear in the short term. Increasing the percentage coverage of the TEN-T network with recharging infrastructure by 10 % by 2027 for countries with large territories translates into hundreds of kilometres of roads on which recharging infrastructure must be built.

The AFIR Regulation should provide for a basic minimum network of recharging stations for electric vehicles along the TEN-T corridors, with the further development of their capacity and number to be regulated by the market. Income stratification across EU countries still exists, and e-mobility is developing more slowly in less affluent countries than in countries with a per capita GDP above the EU average. Setting common targets for the entire EU territory above those agreed by the Council is unjustified. Flexibility is also important for Cohesion Fund beneficiary countries, where TEN-T-compliant infrastructure will still be built for many years to come, in order to avoid unnecessary sunk costs.

Poland reiterates its negative position on the ‘Fit for 55’ package as a whole, which sets unrealistic targets and ambitions and has a significant impact on Member States’ energy mix. Poland is of the opinion that most of the package is being dealt with on an incorrect legal basis, which creates a dangerous precedent.”