



**COUNCIL OF
THE EUROPEAN UNION**



5512/08 (Presse 16)

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2843rd Council meeting

Agriculture and Fisheries

Brussels, 21 January 2008

President

Mr Iztok JARC

Minister for Agriculture, Forestry and Food of Slovenia

P R E S S

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5512/08 (Presse 16)

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Main results of the Council

*Minister Iztok JARC chaired the first Council meeting under the aegis of the Slovenian Presidency. The Council reached **unanimous political agreement** on simplified rules on **cross-compliance**.*

The Council held a policy debate on the CAP "Health Check" of the Common Agricultural Policy, following its reform in 2003/2004.

Without discussion, the Council adopted a common position on a draft regulation for the establishment of a European Institute of Innovation and Technology (EIT).

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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>).
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PARTICIPANTS

The Governments of the Member States and the European Commission were represented as follows:

Belgium:

Ms Sabine LARUELLE

Minister for Small and Medium-Sized Businesses, the Liberal Professions and the Self-Employed and Agriculture

Mr Kris PEETERS

Minister-President of the Flemish Government and Flemish Minister for Institutional Reform, Harbours, Agriculture, Sea Fisheries and Rural Policy

Bulgaria:

Mr Nihat KABIL

Minister for Agriculture and Forestry

Czech Republic:

Mr Petr GANDALOVIČ

Minister for Agriculture

Denmark:

Ms Eva Kjer HANSEN

Minister for Food, Agriculture and Fisheries

Germany:

Mr Horst SEEHOFER

Federal Minister for Food, Agriculture and Consumer Protection

Estonia:

Mr Helir-Valdor SEEDER

Minister for Agriculture

Ireland:

Ms Mary COUGHLAN

Minister for Agriculture and Food

Greece:

Mr Alexandros CONTOS

Minister for Rural Development and Food

Spain:

Ms Elena ESPINOSA MANGANA

Ms Pilar MERINO TRONCOSO

Minister for Agriculture, Fisheries and Food

Minister for Agriculture, Livestock, Fisheries and Agriculture of the Autonomous Community of Canary Islands

France:

Mr Michel BARNIER

Minister for Agriculture and Fisheries

Italy:

Mr Paolo DE CASTRO

Minister for Agricultural and Forestry Policy

Cyprus:

Mr Panicos POURIOS

Permanent Secretary, Ministry of Agriculture, Natural Resources and Environment

Latvia:

Ms Dace LUCAUA

State Secretary, Ministry of Agriculture

Lithuania:

Ms Kazimira Danutė PRUNSKIENĖ

Minister for Agriculture

Luxembourg:

Mr Fernand BODEN

Minister for Agriculture, Viticulture and Rural Development, Minister for Small and Medium-sized Businesses, the Liberal Professions and the Self-Employed, Tourism and Housing
State Secretary for Relations with Parliament, State Secretary for Agriculture, Viticulture and Rural Development, State Secretary for Culture, Higher Education and Research

Ms Octavie MODERT

Hungary:

Mr József GRÁF

Minister for Agriculture and Rural Development

Malta:

Mr FRANCIS AGIUS

Parliamentary Secretary for Agriculture and Fisheries,
Ministry for Rural Affairs and the Environment

Netherlands:

Ms Gerda VERBURG

Minister for Agriculture, Nature and Food Quality

Austria:

Mr Josef PRÖLL

Federal Minister for Agriculture, Forestry, the
Environment and Water Management

Pologne:

Mr Marek SAWICKI

Minister for Agriculture and Rural Development

Portugal:

Mr Jaime SILVA

Minister for Agriculture, Rural Development and Fisheries

Romania:

Mr Dacian CIOLOȘ

Minister for Agriculture and Rural Development

Slovenia:

Mr Iztok JARC

Ms Branka TOME

Minister for Agriculture, Forestry and Food
State Secretary, Ministry of Agriculture, Forestry and
Food

Slovakia:

Ms Zdenka KRAMLOVÁ

Minister for Agriculture

Finland:

Ms Sirkka-Liisa ANTILA

Minister for Agriculture and Forestry

Sweden:

Mr Rolf ERIKSSON

State Secretary to the Minister for Agriculture, Food and
Fisheries

United Kingdom:

Mr Hilary BENN

Secretary of State for Environment, Food and Rural
Affairs

Commission:

Mr Joe BORG

Ms Mariann FISCHER BOEL

Member

Member

ITEMS DEBATED

WORK PROGRAMME OF THE PRESIDENCY

Mr Iztok Jarc gave Ministers an overview of the work programme and the issues to be debated during Slovenian's Presidency¹. The work of the Ministry of Agriculture, Forestry and Food, will concentrate on eight main areas:

1) “Health Check” of the CAP

- How to simplify the Single Payment Scheme?
- How to adjust market management measures to grasp new opportunities?
- How to face new challenges

2) Concluding current CAP reforms

The Presidency intends to adopt the wine reform legislative text on the basis of the political agreement reached in December, to reach agreement on cotton support scheme, dairy quotas and flax and hemp, respectively, and to prolong the financing of the Community tobacco fund.

3) Simplification of the CAP

Simplifying cross compliance rules, incorporating fruit and vegetable, sugar, dairy, beef and veal labelling and the Finnish seed aid into the “single CMO” regulation will represent a further significant progress in legislative transparency and certainty.

¹ For further information see the Slovenian Presidency website:

http://www.eu2008.si/en/Policy_Areas/Agriculture_and_Fisheries/index.html

4) International Affairs

The reform of the Food and Agriculture Organisation will be closely followed as well as work in the Commission on Sustainable Development.

5) Forestry

The Slovenian Presidency will strive to promote Sustainable Forest Management (SFM) and encourage the full implementation of the EU Forest Action Plan and the EU Action Plan for Forest Law Enforcement, Governance and Trade (FLEGT).

Slovenia will have to coordinate member states' positions for the next session of the UN forum on forests, focusing on the Non-legally binding instrument (NLBI) on all types of forests, of special importance in the light of climate change, financial support for SFM and preservation of biodiversity.

6) Food safety, Veterinary and Phytosanitary field

The Presidency intends to maintain the high level of food safety and transparency towards consumers in the food chain.

7) Common Fisheries Policy

The Presidency will focus on Illegal Fishing (IWWF) and sensitive species.

The following events will be organised in Slovenia:

– **in Brdo pri Kranju :**

- Informal meeting of Agriculture Ministers (25-27 May);
- Meeting of the Working Party of Chief Veterinary Officers (13-16 May)
- Conference of Directors of EU paying agencies (28-30 May)
- Informal Meeting of the Working Party on Forestry and Meeting of Directors-General for Forests (17–20 June)

– **in Maribor :**

Meeting of the special Committee on Agriculture (25-27 May).

– **In Portorož :**

Informal Meeting of Directors-General for Fisheries (28-30 June)

Conference on Aquaculture (28-30 June)

CROSS COMPLIANCE

The Council has reached unanimous political agreement on the Presidency overall compromise package (5306/08 + ADD1). The text reflects the points highlighted for action in the June Council conclusions (10682/07) and has been accepted by the Commission.

The regulation will be adopted at one of the Council's forthcoming sessions after it has been revised by the Council's legal-linguistic experts. Three statements (5306/08 ADD2) and a statement made during the meeting by Commissioner Fisher Boel¹ will be entered in the Council's minutes at the time of adoption.

The proposal provides for certain adjustments to the cross compliance rules contained in Regulation (EC) No 1782/2003², in particular:

– ***de minimis*** :

In order to reduce administrative burden, it will be possible for member states to decide not to apply a reduction or exclusion amounting to EUR 100 or less per farmer and per calendar year, under the condition that remedial action is taken by the farmer.

– ***minor infringements***:

A measure of tolerance will be acceptable for minor cases of non-compliance³, under the condition that an appropriate follow up by the member state is carried out until the non-compliance has been remedied

– **setting of the date of land disposal for eligibility under the SPS ("10 months" rule):**

In order to ensure that double claims are not made for the same land, member states will determine an appropriate date which should be no later than the date fixed for amendment of the aid application. Consequently, the obligation made to farmers to keep at their disposal for at least 10 months the parcels corresponding to the eligible hectare is repealed.

1 Commissioner Fisher Boel stated that she will consider the remaining outstanding issues on cross compliance in the framework of the discussion on "Health Check".

2 which also imply amendment of Regulation (EC) No 1698/2005

3 except in cases constituting a direct public and/or animal health risk.

– **liability:**

In the case of transfer of land the farmer who submits an aid application will be held liable toward the competent authority with regard to any failure to fulfil the cross compliance requirements for the concerned calendar year. Such rule will apply without precluding private law arrangements under national legislation, between the farmer having transferred the concerned land and the one having submitted the aid application. Such provision will apply as from 1 April 2008.

– **phasing-in for new member states¹:**

It will be possible for new member states applying the single area payment scheme to introduce a three year phasing-in. Annex III to Regulation (CE) N° 1782/2003 will consequently apply according to the following timetable:

– Part A (environnement, cattle identification & registration, traceability of meat) → 1.01.2009²;

– Part B (plant health, public health, food law, TSE, notification of certain animal diseases)

and

– Part C (animal welfare for farming animals, specific rules for calves and pigs) → →1.01.2011³

The European Parliament delivered its opinion on 11 December 2007.

1 All new Member States **except** Malta & Slovenia.

2 Except for Romania and Bulgaria : 1 January 2012.

3 Except for Romania and Bulgaria : 1 January 2014.

HEALTH CHECK

The Council held a *policy debate* on the communication on the "**health check**" of the CAP since its 2003 reform ([15351/07](#)), on the basis of a Presidency questionnaire (5303/08), intending to verify that :

- the principal evolutions since the reform of 2003/2004 and the main challenges to the CAP were correctly analysed in the Commission's communication;
- the level of ambition and the scope of the adjustments broadly outlined in the Communication represented adequate response to these challenges;
- the avenues for action identified by the Commission would at the same time better align the CAP with general societal expectations while preserving the European model of agriculture.

The Council noted the support of a large majority of delegations on the analysis made in the communication and the new challenges identified by the Commission.

With regard to the level of ambition and scope, member states reiterated the views expressed during November's Council (see doc. 15333/07).

The crucial role of farmers to challenge the environmental and societal changes was unanimously recognised. Several delegations highlighted the strategic importance of agriculture with regard to food security (supplies), and the multifunctional aspects of the CAP. The specific concerns and/or views expressed by member states will be examined at technical and political level in the coming weeks and submitted to Ministers for further discussion in February.

The Presidency's intention is to draw conclusions in March in order to allow the Commission to come back with legislative proposals in May, for their detailed discussion in the second half of 2008.

The Commission agreed to the proposed timetable and declared that she will recommend to its services to prepare the appropriate legislative proposals based on such conclusions in due time¹.

The European Parliament opinion is expected in March.

¹ Possibly for a first discussion in May during the informal Agricultural Council in Brdo.

MAURITANIA

The Council was informed by Commissioner Joe Borg about the ongoing discussions with Mauritania on the existing Protocol setting out the fishing opportunities and financial contribution provided for in the Fisheries Partnership Agreement between the European Community and the Islamic Republic of Mauritania¹.

A memorandum of understanding is being discussed with a view to review the protocol and better adapt it to the needs of member states, the mutual benefit of both parties remaining guaranteed.

1 Council Regulation (EC) No 1801/2006 of 30 November 2006 on the conclusion of the Fisheries Partnership Agreement between the European Community and the Islamic Republic of Mauritania (OJ L 343, 8.12.2006, p. 9).

AOB

(a) WTO-DDA negotiation - Information from the Commission

The Commission informed delegations on the state of play of the WTO-DDA negotiation, with regard to the agriculture volet.

The Council took note of the information and confirmed its support to Marianne Fisher Boel in that arduous negotiation round.

The Council also invited the Commission to come back to a forthcoming meeting of the Agriculture Council to keep Ministers updated on that issue.

(b) Free distribution of fruit and vegetables in 2008 – Request from the Belgian delegation

The Belgian delegation presented a request concerning the possible solutions to continue free distribution of fruit and vegetable to schools and charitable institutions during year 2008, pending the entry into application of the school fruit scheme on 1st January 2009.

The Commission took note of the Belgian request, supported by Spain, Greece, France and Italy, and mentioned that the issue will be tackled at Management Committee level in the coming weeks.

With regard to a more targeted "School Fruit Scheme", the Commission representative announced that appropriate proposal will be submitted before summer.

OTHER ITEMS APPROVED

AGRICULTURE

Bulgaria and Romania - Act of Accession

The Council adopted a Decision adapting Annex VIII to the Act of Accession of Bulgaria and Romania (concerning the financial contribution of the Community), following the entry of these two countries into the European Union in January 2007. (16360/07)

Common agricultural policy

The Council adopted a Regulation on the measures to be undertaken by the Commission in 2008-2013 making use of the remote-sensing applications developed within the framework of the common agricultural policy (5052/08).

This Regulation aims at continuing the application of the operational measures monitoring the agricultural markets.

**Special Report N° 4/2007 on physical and substitution checks on export refund consignments -
*Council conclusions***

The Council adopted the following conclusions:

"THE COUNCIL,

TAKES NOTE of the submission of special report No 4/2007 on physical and substitution checks on export refund consignments;

ACKNOWLEDGES the need to improve certain procedures for checking export refund consignments;

WELCOMES the Commission's efforts to simplify the whole system of checks;

TAKES NOTE of the Commission's intention to submit to the Council by the end of 2008 legislative proposals for improving the systems of checks, and the application of risk analyses in customs import and export procedures for goods."

RESEARCH

Agreement EURATOM/China on peaceful uses of nuclear energy

The Council adopted a decision approving the conclusion of an agreement between the European Atomic Energy Community (EURATOM) and China for research and development cooperation in the peaceful uses of nuclear energy (14423/07).

European Institute of Innovation and Technology

The Council adopted a common position on a draft regulation for the establishment of a European Institute of Innovation and Technology (EIT) (15647/07 +ADD1 and 16839/07 ADD1).

The common position follows the political agreement reached by the Council on the draft regulation on 23 November 2007.

The Council's common position will be subject to the European Parliament's vote in second reading so as to allow effective implementation of the EIT as from Spring 2008, immediately after final adoption of the regulation by the Council.

The common position contains the main issues that will shape the EIT, namely:

- the two-step approach concept, according to which a limited number of initial Knowledge and Innovation Communities (KICs) would be set up in a first step, and further KICs would be developed in a second step, subject to evaluation of the EIT's activities. The EIT would perform most of its activities through the KICs, which are partnerships between the private sector, the research community and excellent teams from research communities and universities;
- long-term strategic policy guidance will be provided by the Parliament and the Council, which will have to adopt the EIT's strategic innovation agenda (SIA) for future EIT activities;
- the use of an additional EIT label on recognised diplomas awarded by universities and higher education institutes participating in the KICs;
- the EIT will receive an allocation of EUR 308,7 million from the EU's budget for the period up to 2013;
- for organisation and administrative management purposes, the EIT will be provided with a governance structure designed to facilitate business involvement. It will be made up of a governing board, an executive committee, a director and an audit committee.

The location of the EIT will be decided within 12 months after the regulation enters into force.

The EIT will primarily have the objective of contributing to the development of innovation capacity in the EU, by involving higher education, research and competitiveness (the "knowledge triangle") activities at the highest standards. In so doing, the EIT will facilitate and enhance networking and cooperation and create synergies between innovation communities in Europe.

TRADE POLICY

Moldova - Trade preferences

The Council adopted a regulation introducing autonomous trade preferences for Moldova and amending regulation 980/2005 and Commission decision 2005/924/EC.

The regulation extends autonomous trade preferences to Moldova by removing all remaining tariff ceilings for industrial products and by improving access to the EU market for agricultural products.

The introduction of the autonomous preferences make the inclusion of Moldova in the EU's scheme of generalised tariff preferences superfluous. Moldova is therefore removed from the list of beneficiaries of regulation 980/2005 and from the list of the beneficiary countries which qualify for the GSP+ in decision 2005/924/EC.

The relationship with Moldova builds on the Partnership and Cooperation Agreement, in force since 1998. One of its main objectives is to promote trade and investment between the parties so to foster sustainable economic development.

Antidumping - Dihydromyrcenol - India

The Council adopted a regulation imposing a definitive anti-dumping duty and collecting definitively the provisional duty imposed on imports of dihydromyrcenol originating in India (16791/07).

Antidumping - Ferro molybdenum - China

The Council adopted a regulation repealing the anti-dumping duty on imports of ferro molybdenum originating in China and terminating the proceeding in respect of such imports, following review pursuant to Article 11(3) of regulation 384/96 (16794/07).

International Cocoa Agreement

The Council adopted a decision on the position to be taken by the Community within the International Cocoa Council with a view to voting in favour of extending the International Cocoa Agreement 2001 for one or two periods not exceeding four years (5012/08).

International Coffee Agreement

The Council adopted a decision on the position to be taken by the Community within the International Coffee Council with a view to voting in favour of the designation of the International Coffee Organisation as depository of the International Coffee Agreement 2007 (5238/08).

STATISTICS

Classification of territorial units for statistics

The Council adopted a Regulation amending Regulation No 1059/2003 on the establishment of a common classification of territorial units for statistics by reason of the accession of Bulgaria and Romania to the EU (3645/07).

The Regulation constitutes the legal framework for regional classification for the purpose of enabling the collection, compilation and dissemination of harmonised regional statistics in the EU.

Business registers for statistical purposes

The Council adopted a regulation updating EU rules on business registers for statistical purposes, having accepted all the amendments suggested by the European Parliament at second reading (*PE-CONS 3655/07, 14204/07*).

The main objectives of the regulation are:

- to register on a mandatory basis, all the enterprises, their local units and the corresponding legal units carrying out economic activities contributing to gross domestic product; and
- to cover all financial links and enterprise groups and to exchange data on multinational groups and their constituent units between EU Member States and the Commission (Eurostat).

In addition, the proposal aims at harmonisation between all Member States by adopting a common methodology.

The draft regulation, which updates the existing business registers regulation dating back to 1993, takes into account requirements that have emerged in recent years following:

- the globalisation of the economy, requiring the collection information on enterprise groups;
- the integration of activities of different sectors;
- the evolution of the single market, requiring the improvement of statistical comparability.

The regulation repeals Regulation (EEC) No 2186/93.

PUBLIC ACCESS TO DOCUMENTS

Confirmatory application 16/c/01/07

The Council adopted the reply to confirmatory application 16/c/01/07, the Czech, Danish, Dutch, Slovenian and Swedish delegations voting against (*doc. 15503/07*).

WRITTEN PROCEDURES

Anti-dumping - Flat-rolled products of silicon-electrical steel from Russia and the USA

On 14 January, the Council adopted a regulation amending regulation 1371/2005 imposing a definitive anti-dumping duty on imports of grain oriented flat-rolled products of silicon-electrical steel originating in Russia and the USA (*16690/07*).

Nutrition and health claims made on foods – Consumer protection

On 11 January, the Council adopted a regulation amending regulation 1924/2006 on nutrition and health claims made on foods in order to align the claims referring to children's development and health to the same transitional measures as the other health claims (*3698/07*).

The category of claims referring to children's development and health was introduced at a very late stage of the procedure for the adoption of regulation 1924/2006, without providing for transitional measures. However, products carrying such claims are already present on the Community market.
