

COUNCIL OF THE EUROPEAN UNION



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PRESS RELEASE

2860th Council meeting

Agriculture and Fisheries

Brussels, 17 March 2008

President Mr Iztok JARC Minister for Agriculture, Forestry and Food of Slovenia



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Main results of the Council

The Council, in agreement with the Commission, adopted unanimous conclusions on the "health check" of the common agriculture policy reform.

The Council adopted a regulation increasing national **milk** quotas by **2**%, as from the next milk year starting on 1 April 2008.

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¹ .	 Where declarations, conclusions or resolutions have been formally adopted by the Council, this is indice 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 an asterisk; these statements are available on the Council's Internet site or may be obtained from the Prr Office. 	d by			

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PARTICIPANTS

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

Belgium: Mr Kris PEETERS

<u>Bulgaria:</u> Mr Nihat Tahir KABIL

<u>Czech Republic:</u> Mr Petr GANDALOVIČ

Denmark: Mr Anders MIKKELSEN

<u>Germany:</u> Mr Horst SEEHOFER

Estonia: Mr Helir-Valdor SEEDER

Ireland: Ms Mary COUGHLAN

Greece: Mr Alexandros CONTOS

Spain: Ms Elena ESPINOSA MANGANA Ms Pilar MERINO TRONCOSO

<u>France:</u> Mr Michel BARNIER

<u>Italy:</u> Mr Paolo DE CASTRO

<u>Cvprus:</u> Mr Michalis POLINIKI CHARALAMBIDES

<u>Latvia:</u> Mr Mārtiņš ROZE

Lithuania: Ms Kazimira Danutė PRUNSKIENĖ

Luxembourg: Mr Fernand BODEN

Hungary: Mr József GRÁF

Malta: Ms Theresa CUTAJAR

<u>Netherlands:</u> Ms Gerda VERBURG

<u>Austria:</u> Mr Josef PRÖLL Minister-President of the Flemish Government and Flemish Minister for Institutional Reform, Harbours, Agriculture, Sea Fisheries and Rural Policy

Minister for Agriculture and Food Supply

Minister for Agriculture

Ministry of Food, Agriculture and Fisheries

Federal Minister for Food, Agriculture and Consumer Protection

Minister for Agriculture

Minister for Agriculture, Fisheries and Food

Minister for Rural Development and Food

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

Minister for Agriculture and Fisheries

Minister for Agricultural, Food and Forestry Policy

Minister for Agriculture , Natural Resources and Environment

Minister for Agriculture

Minister for Agriculture

Minister for Agriculture, Viticulture and Rural Development, Minister for Small and Medium-sized Businesses, the Liberal Professions and the Self-Employed, Tourism and Housing

Minister for Agriculture and Rural Development

Deputy Permanent Representative

Minister for Agriculture, Nature and Food Quality

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

17.III.2008

Poland: Mr Marek SAWICKI

Portugal: Mr Jaime SILVA

Romania: Mr Dacian CIOLOŞ

<u>Slovenia:</u> Ms Branka TOME

<u>Slovakia:</u> Ms Zdenka KRAMPLOVÁ

<u>Finland:</u> Ms Sirkka-Liisa ANTTILA

<u>Sweden:</u> Mr Eskil ERLANDSSON

<u>United Kingdom:</u> Mr Jonathan SHAW

Mr Richard LOCHHEAD

Minister for Agriculture and Rural Development

Minister for Agriculture, Rural Development and Fisheries

Minister for Agriculture and Rural Development

State Secretary, Ministry of Agriculture, Forestry and Food

Minister for Agriculture

Minister for Agriculture and Forestry

Minister for Agriculture

Parliamentary Under Secretary of State, Marine, Landscape and Rural Affairs and Minister for the South East Cabinet Secretary for Rural Affairs and the Environment, Scottish Government

<u>Commission:</u> Ms Mariann FISCHER BOEL

Member

ITEMS DEBATED

HEALTH CHECK of the CAP reform – Council conclusions

The Council adopted conclusions on the communication from the Commission to the Council and the European Parliament on the "Health Check" of the CAP reform¹.

Some ministers took the opportunity to underline points of particular importance for their member state. The Presidency indicated that all points of view had been noted and that the written statements would be included in the Council's minutes.

The Commission intends to present a legislative package, at the informal meeting of the Council in Slovenia on 27 May.

The Council's conclusions can be found in document 7150/08.

¹ LV and CZ indicating their abstention.

MILK QUOTAS

The Council adopted by qualified majority¹ a regulation modifying the "single CMO" regulation² to increase the national milk quotas by 2 % in the next milk year starting on 1 April 2008 (6757/08).

Consequently, national milk quotas for the seven 12-month periods commencing on 1 April 2008 are as follows:

Member State	Quantities (tonnes)
Belgium	3 427 288,740
Bulgaria	998 580,000
Czech Republic	2 792 689,620
Denmark	4 612 619,520
Germany	28 847 420,391
Estonia	659 295,360
Ireland	5 503 679,280
Greece	836 923,260
Spain	6 239 289,000
France	25 091 321,700
Italy	10 740 661,200
Cyprus	148 104,000
Latvia	743 220,960
Lithuania	1 738 935,780
Luxembourg	278 545,680
Hungary	2 029 861,200
Malta	49 671,960
Netherlands	11 465 630,280
Austria	2 847 478,469
Poland	9 567 745,860
Portugal	1 987 521,000
Romania	3 118 140,000
Slovenia	588 170,760
Slovakia	1 061 603,760
Finland	2 491 930,710
Sweden	3 419 595,900
United Kingdom	15 125 168,940

¹ The German and Austrian delegations voted against and the French delegation abstained and issued a joint statement to be included in the Council's minutes. Portugal issued an individual statement.

² Regulation (EC) No 1234/2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (single CMO Regulation) as regards the national quotas for milk.

The Commission entered the following statement in the Council's minutes:

"In the context of the Council's adoption of the proposal to increase milk quotas by 2 % as of 1 April 2008, the Commission will take this into account including all other relevant factors, when preparing its Health Check proposals relating to the dairy sector in connection with the discussion about a soft landing with quotas in place until 2014/15.

In addition to the issue of quotas, other aspects like super levy, fat correction, etc. are elements which may be looked at.

In this connection the Commission takes note of the Council's Conclusions on the Health Check Communication being adopted at this Council meeting, and in particular of paragraphs 18 and 19.".

The European Parliament delivered its opinion on 12 March.

OTHER BUSINESS

World Trade Organisation (WTO)-Doha Development Agenda (DDA) negotiations

Commissioner Fischer Boel reported to the Council on recent bilateral and multilateral contacts, both at technical and political level.

The Presidency thanked the Commissioner for her regular and comprehensive updating of the Council on WTO negotiations and recalled the Council's conclusions of 10 March 2008¹.

Memorandum to encourage a responsible organisation of agri-food sectors in the interests of farmers and consumers

The Council took note of the French delegation's presentation of its "Memorandum to encourage a responsible organisation of agri-food sectors in the interests of farmers and consumers" (5745/1/08 REV1).

The memorandum calls for the promotion of **producer organisations** and **inter-branch organisations** in order to strengthen individual agricultural sectors, to enable them to cope with increased competition and market instabilities and to improve the organisation of supply. To that end it recommends introducing Community rules in the form of appropriate **legal** and **financial** instruments to develop those organisations, on a voluntary basis.

The French authorities suggest giving practical form to these ideas by introducing relevant provisions in the single CMO Regulation², based on those in the fruit and vegetables and wine sectors.

¹ See also Council (General Affairs) press release of 10 March 2008 on the matter (7425/08)

Council Regulation (EC) No 1234/2007 of 22 October 2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (single CMO Regulation), OJ L 299, 16.11.2007, pp. 1 - 149.

Improved organisation of these sectors would be one of the three pillars of the new climatic and/or animal health risk prevention and management policy advocated by France, the other two pillars being Community management of systemic crises and insurance schemes co-financed by the Community to cover risks incurred by individual undertakings.

Some Member States expressed reservations on the approach proposed¹ while others supported the general thrust of the memorandum with a view to continuing discussions.

Commissioner Mariann Fischer Boel indicated that she was ready to help farmers to work together where appropriate, but took a more cautious approach concerning the competence to be granted to inter-branch organisations, except in limited, carefully negotiated cases, with due regard for competition and single market rules.

Future development of the sheep sector – Request from the Irish delegation

The Council took note of the information provided by the Irish delegation, supported by the Spanish, French, Greek, Hungarian, Cypriot, Romanian, Polish and Lithuanian delegations, with regard to the future development of the sheep sector and by the British delegation on the specific issue of electronic identification (7291/08).

Ms Fischer Boel declared that she did not underestimate the concerns raised by the Irish delegation and would study appropriate ways of tackling the issue, including increased flexibility under Article 69 of Regulation No1782/2003.

Pigmeat market – request by the Polish delegation

The Council took note of the request by the Polish delegation, supported by the French, Lithuanian, Austrian, Latvian, Hungarian, Irish, Greek, Romanian, Czech and Cypriot delegations, calling for pig meat export refunds.

¹ In particular concerning its compatibility with competition, state aid and transparency rules

The UK delegation expressed doubts as to the efficiency of export refunds and favoured other initiatives instead.

The Commission representative provided delegations with up-to-date information on the situation in the sector, which in her opinion was on the right track and consequently did not need further market support measures at this stage. She also made a cross reference, supported by the British and Portuguese delegations, to feed availability and GMOs.

Increase in prices

The Council took note of the information provided by the Greek delegation, supported by Cyprus, on the negative effects of the recent increase in prices on inputs for production of agricultural products (7605/08).

Commissioner Fischer Boel pointed out that the Commission had already proposed several measures to ease the situation, such as reducing the set aside rate to zero, temporary suspension of certain cereals duties and the 2 % increase in milk quotas agreed at the same Council.

OTHER ITEMS APPROVED

<u>AGRICULTURE</u>

Flax and hemp - Extension of the production aid scheme

The Council adopted a regulation extending, as from 1 July 2008, the aid scheme for processing flax and hemp straw into fibre (6152/08).

The aid for long flax fibre will remain at the current level of EUR 160 per tonne for the 2008/2009 marketing year and will increase up to EUR 200 per tonne from the 2009/2010 marketing year onwards.

The additional aid granted to processors of long flax fibre in traditional production areas of Belgium, France and the Netherlands will remain unchanged during the 2008/2009 marketing year (EUR 120 per hectare or EUR 50 per hectare depending on the production zone).

The aid for short flax and hemp fibres will be kept at EUR 90 per tonne.

In order to promote the production of high-quality short flax and hemp fibres, the aid is granted to fibres containing a maximum of 7,5 % of impurities and shives. However, the member states may derogate from this limit and grant processing aid for short flax fibre containing a larger percentage of impurities.

The maximum guaranteed quantity per marketing year is 80 878 tonnes for long flax fibre and 147 265 tonnes for short flax fibre and hemp fibre.

The regulation amends the "Single CMO Regulation" (regulation 1234/2007 on the common market organisation). The first common market organisation for flax and hemp was introduced in 1970.

Official Controls in Feed and Food

The Council adopted a regulation completing the list of territories in Annex I to Regulation (EC) No 882/2004 on official controls on feed and food, in order to include the new member states which acceded to the EU in 2004 and in 2007 respectively.

<u>FISHERIES</u>

EU/Ivory Coast fisheries partnership agreement

The Council adopted a regulation approving the conclusion of a fisheries partnership agreement with Ivory Coast (16680/07).

The fishing opportunities, set out in a protocol attached to the agreement, will be allocated among the member states, retroactively for the period from 1 July 2007 to 30 June 2013, as follows:

- 25 purse seiners: Spain (15 vessels) and France (10 vessels);
- 15 surface longliners: Spain (10 vessels) and Portugal (5 vessels).

The EU's financial contribution amounts to EUR 455 000 per year, equivalent to a reference tonnage of 7 000 tonnes per year, and a specific amount of EUR 140 000 per year for the support and implementation of Ivory Coast's fisheries policy.

The new agreement replaces the 1990 agreement on fishing off the coast of Ivory Coast.

Agreement with Guinea-Bissau

The Council adopted a regulation approving the conclusion of a fisheries partnership agreement with Guinea-Bissau (14394/07).

The fishing opportunities, set out in a protocol attached to the agreement, will be allocated among the member states, retroactively for the period from 16 June 2007 to 15 June 2011, as follows:

- shrimp fishing: Spain 1421 gross registered tonnes (GRT), Italy 1776 GRT, Portugal 1066 GRT, Greece 137 GRT;
- fin-fish/cephalopods: Spain 3143 GRT, Italy 786 GRT, Greece 471 GRT;
- tuna seiners and surface longliners: France 9 vessels, Portugal 4, Spain 10;
- pole-and-line vessels: France 4 vessels, Spain 10.

The Community's financial contribution for the four-year period amounts to EUR 7 million per year.

COMMON FOREIGN AND SECURITY POLICY

Kosovo – EU planning team

The Council adopted a joint action amending and extending Joint Action 2006/304/CFSP on the establishment of an EU Planning Team (EUPT Kosovo) regarding a possible EU crisis management operation in the field of rule of law and possible other areas in Kosovo (*6819/08*).

The joint action extends the EUPT Kosovo mandate until 14 June 2008 and amends it in order to allow invited third states to deploy seconded staff to the EUPT Kosovo, provided that they bear the cost of the staff seconded by them.

On 4 February 2008 the Council adopted Joint Action 2008/124/CFSP on the EU rule of law mission in Kosovo, EULEX Kosovo, which provides inter alia for the EUPT Kosovo to act as the main planning and preparation element for EULEX Kosovo and for EUPT Kosovo to be responsible for recruiting and deploying staff and procuring equipment.

The financial reference amount intended to cover the expenditure related to the EUPT Kosovo will be EUR 79,5 million.

Union of Comoros – Restrictive measures

The Council adopted a regulation imposing certain restrictive measures on the illegal authorities of the island of Anjouan in the Union of the Comoros (7111/08).

The regulation is required in order to implement, under Community law, the restrictive measures established by Common Position 2008/187/CFSP.

Following the request of the African Union, on 3 March 2008 the Council adopted Common Position 2008/187/CFSP, which provides for a visa ban and an assets freeze in respect of members of the illegal government of Anjouan and associated persons.

The African Union requested the support of the EU for the sanctions which the African Union Peace and Security Council decided to impose on the illegal authorities of Anjouan on 10 October 2007, following presidential elections held there under unsatisfactory conditions.

Promoting the control of arms exports among third countries

The Council adopted a joint action on support for EU activities in order to promote the control of arms exports and the principles and criteria of the EU code of conduct on arms exports among third countries (7270/08).

The overall objectives of the joint action are the following:

- to promote the criteria and principles of the EU code of conduct on arms exports among third countries;
- to assist third countries in drafting and implementing legislation to ensure effective control of arms exports;
- to assist countries in the training of licensing officers to ensure adequate implementation and enforcement of arms export controls;
- to assist countries in the elaboration of national reports on arms exports and the promotion of other forms of scrutiny in order to promote transparency and accountability of arms exports;
- to encourage third countries to support the UN process aiming at the adoption of a legally binding international treaty establishing common standards for the global trade in conventional arms, and to assist in ensuring that they are in a position to comply with such possible common standards.

The financial reference for the implementation of the projects furthering these objectives amounts to EUR 500 500, to be funded from the general budget of the EU.

The EU code of conduct on arms exports was adopted by the Council in 1998 and it sets up eight criteria for the export of conventional arms, establishes a notification and consultation mechanism for denials and includes a transparency procedure through the publication of the EU annual reports on arms exports.

Afghanistan – EU police mission (EUPOL AFGHANISTAN)

The Council adopted a joint action amending joint action 2007/369/CFSP on the establishment of the EU police mission in Afghanistan (EUPOL AFGHANISTAN).

The joint action extends from 29 March until 30 September 2008, the financial reference amount of EUPOL AFGHANISTAN in order to cover the expenditure related to the mission. It is set at EUR 43,6 million.

The financial reference amount for the remainder of the year 2008, as well as for the years 2009 and 2010, will be decided by the Council at a later stage.

EUPOL AFGHANISTAN, launched on 15 June 2007, aims at contributing to the establishment under Afghan ownership of sustainable and effective civilian policing arrangements that ensure appropriate interaction with the wider criminal justice system. Furthermore the mission supports the reform process towards a trusted and efficient police service which works in accordance with international standards, within the framework of the rule of law and respect for human rights.

For more information see press release 10939/07.

ECONOMIC AND FINANCIAL AFFAIRS

External auditors of national central banks - Finland

The Council adopted a decision approving the appointment of KPMG Oy Ab as the external auditor of the Bank of Finland (Suomen Pankki) for the financial years 2008 to 2012 (6347/08).

SOCIAL POLICY

Situation of persons with disabilities in the European Union - Council resolution

The Council's resolution can be found in 6941/08.

CUSTOMS UNION

System of relief from customs duties - Modifications

The Council adopted a regulation with a view to improving the EU system of relief from customs duties.

Regulation No 918/83 setting up the EU system of customs relief sets out the cases in which relief from duties must be granted when goods are imported into the EU (released for free circulation) or exported from it.

This regulation will be amended, as from 1 December 2008, in order to:

1. exclude from the system of customs relief imports of goods which are subject to the application of common trade defence measures.

Goods imported under relief from common customs tariff duties are not likely to have significant injurious effects on Community industry, given the restrictions concerning the imported quantities or values, their usage and/or post import customs controls.

- 2. exclude from the system imports of household effects for furnishing a secondary residence in the EU with a view to eliminating administrative burdens for the importing persons and for the customs administrations.
- 3. increase the limit for consignments of negligible value from EUR 22 to EUR 150.

The value limit has not been adjusted since 1991 whereas customs duties have been significantly reduced or even abolished over the same period.

4. eliminate import duties on goods contained in the personal luggage of travellers coming from third countries provided that such imports are exempt from value added tax under provisions of national law (in accordance with Directive 2007/74/EC).

Rate on goods contained in consignments or in travellers' luggage

The Council adopted a regulation adjusting the rate on goods contained in consignments sent by private individuals or in travellers' luggage (6851/08).

The regulation fixes, as from 1 December 2008, the customs duty to be charged on goods contained in consignments sent by one private individual to another, or contained in travellers' personal luggage, at a flat rate of 2,5 % *ad valorem*, provided that such imports are not of a commercial nature.

This flat rate will apply provided that the intrinsic value of the goods subject to import duty does not exceed EUR 700 per consignment or per traveller.

Since 1997 the rates of customs duty for goods imported by travellers in their personal luggage or sent in small consignments to private individuals have been 3,5 %, and the ceiling EUR 350.

The regulation amends Regulation No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff.

TRANSPORT

Agreement on air services with Morocco

The Council adopted a decision approving the conclusion of an agreement on air services with Morocco.

It also adopted a decision approving the conclusion of a protocol amending this agreement in order to take account of the accession of Bulgaria and Romania to the EU.

The agreement is the result of negotiations conducted by the Commission under a mandate granted by the Council in June 2003 with a view to bringing Member States' existing bilateral aviation agreements into line with Community law.

TRADE POLICY

Ukraine – Export duties

The Council adopted a decision approving the conclusion of an agreement with Ukraine with a view to eliminating all export duties upon the entry into force of a future EU-Ukraine bilateral Free Trade Area (FTA) agreement, to be negotiated after Ukrainian accession to the World Trade Organisation (6402/08).

Since March 2007 negotiations have been under way for a new enhanced agreement between the EU and Ukraine to replace the 1998 partnership and cooperation agreement.

It is intended that the enhanced agreement should provide for the creation of a deep and comprehensive free trade area, as a core element of the enhanced agreement, following the accession of Ukraine to the WTO.

Anti-dumping measures (compressors – coke of coal - urea - plastic bags)

The Council adopted regulations:

- imposing a definitive anti-dumping duty on imports of certain compressors originating in China (7090/08).
- imposing a definitive anti-dumping duty and collecting definitively the provisional duty imposed on imports of coke of coal in pieces with a diameter of more than 80 mm (Coke 80+) originating in China (6670/08)

- repealing the anti-dumping duty on imports of urea originating in Belarus, Croatia, Libya and Ukraine, following an expiry review pursuant to Article 11(2) of Regulation No 384/96 (6760/08)
- amending regulation 1425/2006 imposing a definitive anti-dumping duty on imports of certain plastic sacks and bags originating in China and Thailand (*7133/08*).

WRITTEN PROCEDURE

International Criminal Tribunal for the former Yugoslavia - Restrictive measures

The Council adopted, by written procedure on 13 March 2008, a common position extending for 12 months, until 16 March 2009, common position 2004/293/CFSP on measures in support of the effective implementation of the mandate of the International Criminal Tribunal for the former Yugoslavia (ICTY) (*6927/08*).

The measures are intended to prevent entry into the EU of persons who are engaged in activities that help persons at large continue to evade justice for crimes for which ICTY has indicted them, or are otherwise acting in a manner which could obstruct ICTY's effective implementation of its mandate. The list of persons, which was first drawn up in April 2003, now includes 42 persons subject to a travel ban.