



EUROPEAN COMMISSION  
SECRETARIAT-GENERAL

Directorate D  
SG-D-3 – Resource Efficiency

Brussels, 5 December 2017

SI(2017) XXX

NOTE TO MEMBERS OF THE COMMISSION

**Subject: Meeting of the Special Committee on Agriculture (SCA)  
Brussels, 4 December 2017 - Summary record**

The Commission presented its Communication on "the Future of Food and Farming" adopted on 29 November and the Presidency introduced the two questions proposed to steer the exchange of views to be held at the December Council.

The Presidency presented the latest progress report on spirit drinks, highlighting two key issues: possibility of expanding scope to alcohol from beer and the dynamic system of ageing in 'criaderas and soleras'. The SCA took note of the information and state of play on this dossier, including the Presidency amendments. The SCA gave guidance to the incoming Presidency for further work and took note of the additional comments made by the delegations as well as of the comments from the Commission and Legal Service of the Council.

On the proposal regarding the quantitative limitation for buying-in skimmed milk powder, the Presidency concluded that the SCA can endorse the proposal and agreed to the launching of its legal-linguistic finalisation with a view to ensuring timely adoption of this Regulation at the beginning of next year.

*[signed]*

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Further information: [Redacted]

1. **Adoption of the agenda**
2. **Summary record of the 1562<sup>th</sup> meeting of the SCA**
3. **Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - The Future of Food and Farming**  
– *Preparation of the Council exchange of views (14977/17 AGRI 654)*

The PRES introduced the presentation of the Communication and invited the Delegations to comment on the two questions proposed for the Agrifish Council of 11/12 (*"In your view, what are the central strategic issues for the future of CAP that stem from the Communication? Does the Communication cover all key issues and challenges for the post-2020 CAP and, if not, what are the gaps?"*).

The COM (Mrs Benitez Salas) presented the key elements of the Communication and illustrated, in particular, the new delivery model based on a structured dialogue process with the MS.

Several MS took the floor to express their agreement with the proposed questions and raise some points:

- Simplification and flexibility are welcome; nevertheless, it is important to maintain a common policy. Doubts were expressed about the capacity of the COM to check 28 different CAP strategic plans (LU, PT).
- Considering the tight timing for the negotiations of the future policy proposals, transitional provisions might be necessary (LU).
- The external convergence process, which was not finalised with the previous reform, should continue (PT).
- The increased attention reserved to the environmental and climate issues is considered a positive element of the communication (PRES, PT, DK).
- As the communication provides only general orientations (PT, HU, PL), PL suggested to add a third question on the issues that would need to be further clarified by the COM. Moreover, PL proposed that the Council provides conclusions to feed the discussions on the future MFF.
- Despite the fact that the new policy will not apply to the UK, the Delegation expressed willingness to find shared solutions to common problems.

The PRES gave the floor to the BG Delegation which will be in charge of the Presidency as from January. BG considers that the debate on the future CAP is strategic; therefore it will be encouraged during their mandate.

The PRES thanked the COM and concluded that the SCA took note of the suggestions for the discussions of the Agrifish Council of 11/12.

*Reporting:* [REDACTED], DG AGRI, Unit C.1 Tel.: [REDACTED]

**4. Proposal for a Regulation of the European Parliament and of the Council on the definition, presentation and labelling of spirit drinks, the use of the names of spirit drinks in the presentation and labelling of other foodstuffs and the protection of geographical indications for spirit drinks**  
*– State of play and guidance for future work*

The Presidency presented the latest progress report taking stock of Council discussions during the last semester. They highlighted the need for delegations to take position on two key issues: possibility of expanding scope to alcohol from beer and the dynamic system of ageing in 'criaderas and soleras'.

The Commission (R. Moegele) thanked the efforts of the Presidency and expressed its opposition to expanding the scope to non-Annex I products on grounds of reputation of EU spirits. On 'criaderas', the Commission considered this should be one of the several issues to be considered by the Council as part of the final general approach. Also, the Commission insisted again on the limitation of empowerments which could undermine the future flexibility on the sector and work against MS interest. Finally, the Commission expressed its concerns about the deletion of the provisions on mixtures and compound terms. To wrap-up, the Commission highlighted the need for an enhanced political steering in order to ensure this file is dealt during the current EP mandate.

Concerning the possibility to use alcohol from beer, MS were split. While ES, PL, HU, FR, EL, SK, RO, LV, BE, AT, IT, CY were against, DE, SI, IE, FI, NL, UK, SE, CZ, PT, HR, MT were in favour. FR, supported by SI, RO, CZ, AT, CY and HR requested a market impact assessment on the inclusion of alcohol from beer.

Concerning the 'criaderas y soleras' method, ES, FI and PT supported the full use of the possibility without geographical restrictions. PL, HU, FR, EL, SK, DE, RO, NL, UK, LV, DK, CZ, AT, CY, LT were in favour of a solution limited to GI areas of ES and PT. SV, IE, IT, HR and BE were not in favour of any derogation on this issue.

A number of delegations raised other issues, such as bottling or an unsatisfactory GI system (EL, IE, SV), maximum level of sugar in edulcorated vodka (FI, LV, IT), sugar free labelling and "Obstbrand" (AT). Notably DE indicated the need for further technical work and reservations on several areas (GI's, ethyl carbamate, mixtures).

The Council LS intervened at the request of the Presidency to stress that on 'criaderas y soleras', derogation to ES and PT must be fine-tuned in order to be fully in line with the WTO rules, to precise that the text on GI's has been aligned with other GI texts, and on bottling referred to ECJ jurisprudence allowing bottling in the region.

The Commission wrapped up by stressing that inclusion of beer would be outside the scope of the regulation and that it would not be prepared to undertake any impact assessment from its part.

The Presidency concluded by stating the work in progress to arrive to a final Council position, and noting preference for delegations to stick to status quo on scope and agreement with a limited derogation on dynamic system.

The Presidency confirmed the negotiations are to be continued in order to arrive to a final Council position. On Q1, the Presidency noted that most MS preferred the status quo (only allowing "Annex I"- Products). The Presidency also noted that the Commission specified there may be a need for an impact assessment but that it will not carry it out itself. On Q2 (derogation for labelling) the SCA noted that in principle MS were in favour of such a derogation. However as to the options, none of them was clearly preferred by a majority of the delegations (although option 2 receiving most of the support). Presidency wondered if this option was to be used as a basis for further work,

bearing in mind the specifications from the Council LS). The incoming Presidency (BG) also intervened to announce it hoped to start with Trilogues as from Feb 2018.

The SCA took note of the information and state of play on this dossier, including the Presidency amendments. The SCA gave guidance to the incoming Presidency for further work and took note of the additional comments made by the delegations as well as of the comments from the Commission and Legal Service of the Council.

*Reporting:* [REDACTED], *DG AGRI, Unit G.2 Tel.:* [REDACTED]

**5. Proposal for a Council Regulation amending Regulation (EU) No 1370/2013 determining measures on fixing certain aids and refunds related to the common organisation of the markets in agricultural products, as regards the quantitative limitation for buying-in skimmed milk powder**  
*- Approval of the draft Regulation*

The Commission proposal to amend Council Regulation 1370/2013 (the fixing Regulation) to set at 0 the 109 000 t ceiling for buying-in SMP at fixed price under public intervention in 2018 was put by the EE Presidency on the agenda of the SCA as an II point (for discussion) so as to allow MS to react to the proposal.

The Presidency recalled the broad support observed at the SCA of 23 October and the need to have the Regulation in force on time for the next intervention period starting on 1 March 2018.

LT, supported by PL and LV expressed concerns on the overall balance of the skimmed milk powder market and asked for solutions to deal with existing SMP stocks. LV could support the proposal if it included a provision that would allow the Commission to restore fixed price buying-in, if necessary. Those 3 MS intend to oppose the proposal. HU will abstain. DK mentioned a parliamentary scrutiny reservation but was hopeful of being in a situation to support the Commission proposal.

FR, while expressing support for the Commission proposal, asked for an AOB point on milk at the next AGRIFISH Council to debate the way forward with SMP stocks. The Presidency took note, but raised attention to the fact the Commissioner Hogan would not be present at the December Council.

The Commission representative drew attention to the danger of allowing for the problem to become even bigger while discussing about a possible solution. He also underlined that the proposal was not making the safety net disappear but allowing for its use to be better targeted on market developments.

Other MS supporting the Commission proposal, the Presidency concluded that the SCA had taken note of LT, PL and LV's comments and opposition to the proposal, of HU's abstention, of DK's parliamentary scrutiny reserve and of the Commission's comments. Given that there is no blocking minority, the Presidency instructed the Council secretariat to launch the legal-linguistic finalisation to pave the adoption of the Regulation at the beginning of 2018.

Reporting: [REDACTED], DG AGRI, Unit G.3 Tel.: [REDACTED]

**6. Commission Delegated Regulation (EU) .../... of 16.11.2017 fixing a flat-rate reduction for the import duty for sorghum in Spain imported from third countries**

*– Follow-up on the written consultation*

PL and HU took the floor, and opposed against the proposal, considering it would bring pressure on the EU cereals market prices and therefore would imply negative impacts on producers income.

ES also intervened and recalled the WTO international commitment which provides for the obligation for the Union to facilitate the import of 300.000 tonnes of sorghum in Spain, in particular in case of the import duty is positive.

Other Member States did not react.

The Presidency took note of the PL and HU objections and comments made by ES and the Commission. The Presidency concluded there was no qualified majority against the Commission proposal for a Delegated Regulation.

Reporting: [REDACTED], DG AGRI, Unit G.4 Tel.: [REDACTED]

**7. Organisation of future work**

OMNIBUS next steps

- 6 December – as Coreper "I" item,
- AGRIFISH Council "A" point once adopted in EP (foreseen on 12 December in the evening – agenda to be distributed on 8 December)
- 12 December (lunchtime) – EP note
- Commission to inform Council of its position by 12 December at the latest
- 13 December – signing by Presidency and EP (18h00)

Reporting: [REDACTED], DG AGRI, Unit I.5 Tel.: [REDACTED]