



EUROPEAN COMMISSION  
SECRETARIAT-GENERAL

Directorate D  
SG-D-3 – Resource Efficiency

Brussels, 19 January 2017

**SI(2017) 11**

**NOTE TO MEMBERS OF THE COMMISSION**


**Subject: Meeting of the Special Committee on Agriculture (SCA)  
Brussels, 16 January 2017 - Summary record**

In line with usual practice, the incoming Presidency presented its work programme for the next 6 months.

Commission presented the latest state of play of the different market situations, including the measures taken so far. It also briefly presented the indicative list of draft Delegated Acts. SCA was also informed about the ongoing trade negotiations, with emphasis on the agricultural aspects. This item will also figure on the agenda of the upcoming AGRIFISH Council meeting.

The Presidency finally took note of request made by a number of MS concerning possible new AOBs to be added on the agenda of the AGRIFISH meeting.

*[signed]*

Further information: 

**1. Adoption of the agenda**

**I**

**2. Summary record of the 1540<sup>th</sup> meeting of the SCA  
15531/16 CRS CSA 20**

**II**

**3. Presentation of the Presidency Work Programme**

The Presidency presented its programme and outlined its main priorities, including its intentions regarding the handling of certain files. They mentioned particularly a special "climate and water initiative" foreseen for the May Council (in Malta), with a discussion paper to follow.

A number of delegations asked for clarifications on the following topics: food supply chain [REDACTED], discussion paper of "climate and water" [REDACTED] omnibus regulation timing [REDACTED].

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

#### **4. Market situation and the milk package report**

– Information from the Commission

The Commission presented the situation on the markets and in particular in dairy, beef, pigmeat, sugar and F&V, emphasizing the state of play with measures taken last year. The Commission also recalled the main conclusions of the Milk Package report that will be discussed in more detail in the next Council. Thirteen MS made comments with some MS (notably [REDACTED]) noting improvements in the market with a number of MS ([REDACTED]) emphasising however the need to remain vigilant as regards possible negative evolutions. Delegations in particular voiced concerns regarding apples ([REDACTED] – due to +14% in production in 2017), cereals ([REDACTED] – due to possible impact of UA imports and poor-quality harvest), dairy ([REDACTED] – due to low prices), F&V ([REDACTED] – in particular citrus fruit). [REDACTED] recalled need to learn from past crisis to better tackle volatility in future CAP. Other lessons to retain for the future include need to consider Outermost regions ([REDACTED] and LFAs ([REDACTED] and to retain schemes such as coupled support. Regarding the Milk Package some MS speaking ([REDACTED]) welcomed conclusions with [REDACTED] requesting that measures are also extended to other sectors. Others ([REDACTED]) said that package had limited impact in their country due to high share of co-ops and should remain voluntary for MS. [REDACTED] observed that main question in determining success of package is whether it made dairy sector more resilient towards crisis. Miscellaneous topics were also raised by MS: request to pursue on AMTF follow-up ([REDACTED]) and not to lose time with "studies", need to discuss recommendations of Sheep Meat Forum ([REDACTED]). On the AMTF Commission mentioned that reflection on future action was still ongoing but the attitude of Commissioner Hogan towards recommendations was positive. On the Sheep Meat Forum Presidency recalled that a presentation/discussion will be held at the next Council.

Contact: [REDACTED], DG AGRI, Unit G.1 Tel.: [REDACTED]

#### **5. Delegated acts planned for the first half of 2017**

– Information from the Commission

Under point 5 of the agenda, the Commission briefly presented the indicative list of draft Delegated Acts circulated earlier to MS as well as the new organigram of DG AGRI. Few MS intervened with [REDACTED] and [REDACTED] emphasizing the need to adopt as quickly as possible the DA aligning Regulation (EC) No 543/2011 (that includes increased withdrawal prices for F&V), and [REDACTED] calling for the same on the greening DA to allow an implementation for MS in 2017. [REDACTED] regretted that the new DG AGRI re-organisation was not discussed earlier in SCA (on which the Commission recalled that the new organisation was only adopted in December last year).

Contact: [REDACTED], DG AGRI, Assistant DDG3 Tel.: [REDACTED]

## **6. Proposal for a Council Decision on the conclusion of the Agreement between the European Union and the Republic of Chile on trade in organic products**

– Presentation by the Commission

16 AGRI 548 AGRILEG 145 COMER 107 + ADD 1

15292/16 AGRI 658 AGRILEG 193 COMER 130 + ADD 1

The Commission took the floor and presented this first agreement under the new legal framework for organic trade agreements based on a reciprocal acceptance of the organic rules. The agreement is more restricted for Chilean products: Chilean organic rules for animal products (other than honey), feed and aquaculture, not found equivalent for the time being. The Commission highlighted from the agreement the new procedure according to which the COM would be authorised to modify (increase or decrease) the scope of the agreement or to suspend it if there were problems as regards the equivalency. The Commission explained that the agreement should be signed by The Commission. [REDACTED] expressed support but claimed that there was a lack of transparency during the negotiations.

The Commission took note of the feeling of lack of transparency but reminded MS that the SCA had been informed twice (last time in March 2016) and that detailed information was also provided to the Committee on Organic Production.

On Chile, MT PRES will prepare an A-note for the signature and conclusion and ask EP's consent.

*Contact:* [REDACTED], DG AGRI, Unit B.4 Tel.: [REDACTED]

## **7. International Trade Issues**

– Information from the Commission

In line with the Note on the Future Work of the SCA (9113/15) and in preparation of this item at the January AGRI Council, the Commission informed the Committee on the trade negotiations ongoing of relevance to Agriculture, notably the G20 summit (Berlin), WTO (Buenos Aires in Sept 2017), TTIP, Mercosur, CETA, bilateral Free Trade Agreements with Japan, Mexico, Chile, China, Tunisia, Turkey and Ukraine. The Commission also discussed the study of the cumulative impact of FTAs on the EU agricultural sector and the relevance of the current strategy towards third countries.

A number of delegations asked questions for clarification, noting the need to involve MS (via experts) and need of greater transparency during the negotiations ([REDACTED]) and some expressing some concerns about the results of the study ([REDACTED]).

The Commission stressed in particular the positive impact of our trade strategies, the importance of the GI's, and the need to forge alliances in the WTO.

The Presidency took note of the information provided by the Commission and invited the Commission to keep the SCA informed of future initiatives in this regard.

*Contact:* [REDACTED], DG AGRI, Assistant DDG3, Tel.: [REDACTED]

## **8. Scope of the Commission's powers to adopt delegated acts for exceptions from the rules on protected designations of origin for wines**

- Request from the [REDACTED] delegation (AOB)

[REDACTED] presented this a.o.b. point regarding the Teran wine. In December 2016, the Commission announced its intention to adopt a delegated act granting wine producers of one MS a permanent right or an exception for labelling wines with the name of a protected designation of origin of another Member State. This is the case of Teran wine, which is a Slovenian protected designation of origin.

[REDACTED] argued that in intending to adopt a DA, the Commission was overstepping its powers, a fact that could prove a perilous precedent. The Commission presented a detailed legal and political justification for the Commission action. [REDACTED] supported the DA and thanked the Commission. [REDACTED] recalled the unbearable situation in neighbouring markets and indicated a contradiction with the solution taken for Tokay. The Commission subsequently stressed that this was completely different case from Tokay; that Teran could be labelled only in HR and that the PDO/PGI policy would be totally unaffected. The Council LS did not take the floor.

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

## **9. Organic Salmon from Norway/Iceland imports the EU**

- Request from the [REDACTED] delegation (AOB)

[REDACTED] informed MS about its recently adopted policy as regard imports of organic salmon from Norway. Following the letter written by the Commission to the Committee on Organic Production member in October 2016, [REDACTED] took the necessary measures to prevent aquaculture products from Norway and Iceland from being put on the market as organic. [REDACTED] asked Commission to take measures to avoid market distortion if not all MS apply the same policy.

The Commission took the floor and updated MS about the situation. Unfortunately [REDACTED] (and [REDACTED] as a consequence) showed no particular commitment on a roadmap for the incorporation of the current EU organic regulations to the EEA agreement. Commission explained it has no margin for manoeuvre to modify the current situation and reminded MS the content of the letter sent to them. Commission reminded MS that the problem is not an administrative problem but it is about legal certainty and asked all MS to act in the same way as [REDACTED], preventing organic salmon products from being imported and marketed. Commission point of view is that a harmonised position from all MS vis-à-vis of Norway would lead to a faster solution of the problem. Commission also reminded them that it is not a question only of organic salmon and aquaculture products; in fact all the organic products are concerned because the EU Regulations currently in force have not been incorporated to the EEA Agreements by Norway and Iceland.

On the other hand, the Commission recalled MS that are also other issues depending on Norway (as regards conventional meat, dairy and cheese) that impede to fully apply article 19 (trade liberalisation) of the EEA Agreement as regards free trade among the members.

██████ and █████ agreed with COM and █████ on the need to take a common position against Norway. █████ agreed also but asked COM to clarify if other aquaculture products are concerned also. COM confirmed that all aquaculture products are concerned by this situation and underlined that there will not be further extension of the transition period (this has already happened in the past several times). As regards MS approaches, COM expressed its preference for cooperative ways of getting the problem fixed instead of launching other procedures.

*Contact:* ████████████████████, DG AGRI, Unit B.4 Tel.: ██████████

## **10. Organisation of future work**

The next Council on agriculture is scheduled for Monday 23<sup>rd</sup> (Europa building). The indicative agenda includes: presentation of the Work Programme of the Presidency, international trade issues (study on the impact of concessions in free trade agreements on agricultural products), information from the Commission on the market situation and the milk package report, and conclusions of the 40th Conference of Directors of Paying Agencies.

A number of delegations also requested for the following items to be put on the agenda of the Council meeting of 23/01: negative impact of free trade agreement with New Zealand (██████), inclusion of Omnibus discussions (██████, insisting on a February Council), and Teran wine (██████). The presidency took duly note of these suggestions.

The next SCA will take place on 13 (additional one in the place of the AGRIFISH) and on 20 February.

*Reporting:* ████████████████████, DG AGRI, Unit I.5 Tel.: ██████████

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