

Brussels, 2 March 2017

SI(2017) 81

NOTE TO MEMBERS OF THE COMMISSION

Subject: Meeting of the Special Committee on Agriculture (SCA)
Brussels, 27 February 2017 - Summary record

With a view to the next trilogue on organic farming (the 15th, scheduled on 8 March), the Presidency managed, not without difficulty, to obtain a new mandate. The Commission could support the principle of the resumption of the negotiations with the EP but reserved its position on a number of substantial issues.

With a view to the upcoming AGRIFISH Council meeting, the SCA prepared the debate on the post-2020 CAP, on the basis of a Presidency document.

SCA also discussed the latest compromise on the OMNIBUS proposal. While delegations agreed on the main principles, they again put forward a number of issues relevant for them. The Presidency intends to stick to the deadlines for reaching an agreement at Council level.

[signed]

Further information:

1. Adoption of the agenda

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2. Summary record of the 1543rd meeting of the SCA 6368/17 CRS CSA 3

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3. Proposal for a Regulation of the European Parliament and of the Council on organic production and labelling of organic products, amending Regulation

(EU) No XXX/XXX of the European Parliament and of the Council [Official controls Regulation] and repealing Council Regulation (EC) No 834/2007

Interinstitutional file: 2014/0100 (COD)

Mandate for the next trilogue5936/17 AGRILEG 27 CODEC 158

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MT PDCY asked delegations to agree to a mandate to resume negotiations with the EP, on the basis of the revised compromised text prepared following the SCA of 20/02. It was announced that a trilogue is now foreseen on 08/03.

COM joined the MT PDCY in its objective to secure a mandate, reminding that the key priority should remain the need to provide added value vis-à-vis the status quo.

MS not supporting the mandate:

- AT (pesticide residues-no national legislation that would risk to hamper the sector and the internal market; databases too much of a burden)
- EL (pesticide residues zero tolerance)
- NL (greenhouses provisions lack level-playing field and inclusion of demarcated beds in the basic act not acceptable; no derogation for seeds from HR legislation)
- LT (greenhouses LT excluded; pesticide residues zero tolerance)
- CZ (greenhouses discriminatory and need definition for demarcated beds; financial burden for databases COM should provide financial assistance and only large animals should be included; pesticide residues issue with discrimination/Internal Market)
- HR (financial burden for databases; art. 20(b) on pesticides creates insecurity for operators)
- BE (greenhouses matter of principle link to the soil; pesticide residues; too long period for COM report (5 years)
- CY (pesticide residues zero tolerance; greenhouses matter of principle link to the soil)

MS with a scrutiny reserve:

- BG (pesticide residues zero tolerance)
- IT (greenhouses matter of principle link to the soil, could not accept more than plants in pots; pesticide residues (automatic declassification, 5 years for COM report too long)
- PL (more time needed to assess the text with experts)

Among the delegations favouring the mandate, some still mentioned some concerns in relation to some provisions: IE (decertification); RO (annual controls; labelling); DE (inaccuracies noted in the text; arts. 8 and 21 labelling; new 19a as databases requirements not clear enough; art. 35 as 50% not realistic for juveniles); HU (wine; prepacked products); PT (labelling for in-conversion products); SL (MS should have own regime for unpacked products; pesticide residues-no national legislation); FR (frequency of inspections; pesticide residues-no national legislation; a statement will be sent to be annexed to the minutes of this meeting); UK (derogations); FI (COM should provide financial assistance for database setup); SK (pesticide residues-no national legislation; databases too much of a burden).

COM recalled the need to focus on the end results, with a long-term view, inviting to confirm the mandate as a starting point for resuming negotiations. It was made clear that what COM supports is the validation of the PDCY mandate, and not necessarily its content, on which it has reservations in relation to value added for a number of points. The MT PDCY made calculations and concluded that it obtained the mandate.

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4. The future of the Common Agricultural Policy

Preparation of the exchange of views for Council
 6463/17 AGRI 81 AGRIORG 18 AGRILEG 45 AGRISTR 15

In view of the next AGRIFISH Council, the MT PCY had prepared a steering document on "The future of the Common Agricultural Policy - preparation of the exchange of views at Council" and enquired about the delegations' opinion, in particular with regard to the appropriateness/completeness of the six priorities for the future CAP outlined therein.

While delegations generally agreed with the proposed priorities (PT, DE, BG, RO, SE, PL, ES, FI, HU (see below), EL, HR, LT, EE, NL, SK, IT), amendments and additional ones were proposed, pointing to the importance of simplification as cross-cutting/key priority (CZ, RO, SE, FI, AT, EL, LT, DK, EE, SK, IT), income support (in particular direct payments (BG, PL, ES, FI for Areas with Natural Constrains (ANCs), HU, LT) and/or Voluntary coupled support (BG, RO, FI for ANCs, EL) and vitality of rural areas (CZ, BE, PT, DE, BG, RO, SE, FI, AT, LT) to be reflected in the document. Several delegations insisted on the importance of or the need to include (a stronger emphasis on) a strengthened position of farmers in the food supply chain (BG, SK, IT), a strong CAP budget (PL, FI, IE), efficient crisis and risk management tools (BG, IT), access to land for young farmers (BE, RO, EL, IE, IT on young farmers in general), animal welfare and/or other standards (DE, FI), innovation and research (BG, DK, EE, NL), external convergence (RO, PL, LT, LV, SK (also mentioned need to get rid of historical references)), clarification of competition rules (ES, NL), continuation of support for ANCs, mountains and islands (FI, AT, EL), reference to role of EU agriculture for society/EU model of agriculture (AT, EL), role of small and medium sized/family farms (HR/AT, LT (both)), sustainability (resource efficiency for AT, public goods for DK), the need for flexibility (HR, LT) and subsidiarity (SK, IT), the need for raising consumer awareness (EE) and focus on active farmers (LV). Certain delegations asked for a review of the order of priorities (PL) or considered their ranking as not indicating any particular weighting among priorities (HU, IE). FR and NL recalled and asked for consideration of central aspects of their respective vision on the future CAP (3 axes for FR and integrated food policy and competitive agriculture with limited subsidy dependency for NL), while IE – asking for AGRI ministers to launch a strong signal to their financial counterparts on the need to keep a strong CAP budget – explained that it was carrying out its own policy assessment with regard to five aspects (sustainable food production, climate change adaptation, tools for tackling market uncertainties, support for young farmers and a strong CAP budget). IT also informed the SCA about the conference organised on 8/4 in Verona on the CAP in the context of the celebration of the 60th anniversary of the Treaties of

Rome. Only few delegations referred to the questions proposed for debate, putting into question Q 2 (ES, DK) or alluding already to their support of the current CAP architecture (LT).

The Commission took note on the convergence of the delegations around priorities also considered by the Commission and recalled that the discussions ongoing in the Council provided a valuable input to the ongoing CAP modernisation and simplification exercise at a time where – because of the limits of the given mandate (e.g. not prejudging of next MFF) – a free and open reflexion on policy was possible; the priorities already identified by Commissioner Hogan (more resilience, more sustainability and generational renewal), the ongoing activities on the food supply chain and the work carried out in terms of simplification were also recalled as elements of this process.

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5. Proposal for a Regulation of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union and amending Regulations (EU) No 1296/2013, (EU) No 1299/2013, (EU) 1301/2013, (EU) No 1303/2013, EU No 1304/2013, (EU) No 1305/2013, (EU) No 1306/2013, (EU) No 1307/2013, (EU) No 1308/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, (EU) No 652/2014 of the European Parliament and of the Council and Decision No 541/2014/EU of the European Parliament and of the Council (Omnibus proposal) (First reading)

Interinstitutional file: 2016/0282 (COD)

Exchange of views

6574/17 AGRI 84 AGRILEG 50 AGRIFIN 18 AGRISTR 17 AGRIORG 20

The PRES presented the criteria on the basis of which it compiled the compromise document under discussion - the table in document 6574/17 contains suggestions for a possible compromise text on the agriculture-related amendments of the Omnibus proposal. It reiterated its intention to reach an agreement within the Council within the initially set deadlines. The Commission thanked the PRES for the significant amount of effort put in the exercise in order to frame the debate along the lines of simplification and expressed concern over the danger to embark on a reform of the Basic Acts. It subsequently commented on many of the proposals included in the compromise document. MS were receptive to the compromise proposal though they expressed differing views on a number of issues in each of the four Basic Acts through a full tour de table. Among others they referred to investment in physical aspects (Rural Development Regulation), reserve for crises in the agricultural sector, financial discipline, and common provisions (Horizontal Regulation), permanent grassland and Voluntary coupled Support (Direct Payments Regulation), and national financial assistance, regional crises, and specific provisions on wine (CMO Regulation).

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6. Organisation of future work

The next AGRIFISH Council will take place on 6 March. The indicative agenda includes morning sessions with Commissioners Andriukaitis and Jourova. The SCA items are foreseen to be addressed in the afternoon in the presence of Commissioner Hogan. The CZ/SI delegations asked for an AOB item on UTPs to be included in the agenda of the Council meeting. The PL delegation also asked for an AOB item on the crises in the F&V sector, in particular in pears and peaches markets. The IT delegation asked for another AOB on the Milan Forum of rice-producing countries. Some additional information was given by the PRES as regards organisational aspects of the SCA meeting to be held on 21-23 May in Malta. The next SCA will take place on 13 March.

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