

Brussels, 20 July 2017

SI(2017) 375

NOTE TO MEMBERS OF THE COMMISSION

Subject: Meeting of the Special Committee on Agriculture (SCA)

Brussels, 10 July 2017 - Summary record

The Estonian Presidency presented its programme for the incoming 6 months, where the key political issue on the agenda will be the future of the CAP. The risk-management tools will be discussed in the Informal Council and the future of CAP financing will be addressed at a Ministerial conference towards the end of the year.

On the legislative side, the expected deliverable should be conclusion on the simplification agenda in the context of the Omnibus Regulation. The less expected element concerns the negotiations on the Organic Farming Regulations, which eventually spilled over to the Estonian Presidency, despite the agreement reached in the final trilogue at the end of June. For the moment, Germany has withdrawn its support for the compromise and looks for further fine-tuning of the text, in view of its domestic organic farming sector concerns with the Regulation. This situation is not likely to change before the national elections on 24 September, the Presidency therefore plans to bring this agenda item back to the SCA towards the end of September/early October.



Further information:

- 1. Adoption of the agenda
- 2. Summary record of the 1554th meeting of the SCA 1310890/17 CRS CSA 14
- 3. Presentation of the Presidency Work Programme

EE PRES presented their WP. The main priorities are: (1) simplification and modernisation of CAP; and (2) sustainable and competitive EU agricultural sector;

PRES highlighted in particular the importance of the Omnibus file and the spirit drink regulation. The PRES also mentioned the 4-6 Oct conference on soil for sustainable food production.

The calendar of the meetings foreseen are:

SCA AGRIFISH
July 10 July 17/18

September 4(Tallinn),18 September 4/5 (informal)

October 2, 23, 30(poss.)

November 20, 27(poss.)

December 4

October 9/10

November 6/7

December 11/12

For more information: https://www.eu2017.ee/sites/default/files/2017-07/EU2017EE%20Presidency%20Calendar.pdf

4. 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)

- Debriefing of the last trilogue

The **EE Presidency** introduced the point, inviting the MT former Presidency to debrief on the outcome of the last trilogue and concluded on the <u>next steps</u> as follows:

- The text will be presented at the CSL meeting of 17/07/2017. In principle no round table will be foreseen.
- EE PDCY will seek confirmation of the support by Ministers following the mandate at the SCA of 26/06/2017.
- Text will go legal cleaning and removal of potential inconsistencies and will be presented to the SCA by end September/beginning of October.
- Following approval by SCA, CSL will transmit the text to the COMAGRI PRES to launch the endorsement by the EP.

COM confirmed that the outcome of the last trilogue is acceptable.

DE underlined the political importance of the file and pledged for the possibility for Ministers to take the floor at the CSL of 17/07/2017. It identified a series of positive issues following the last trilogue, including seeds (subject to drafting clarifications), animal welfare and aquaculture. DE expressed disappointment on the deletion of the paragraph under Article 30 providing for additional information on trade agreements and of the deletion of the provisions under Annex Va (COM supervisory tasks).

It added on the need to align certain provisions in the text and suggested to include additional text on pesticide residues without however being more specific.

DE concluded that the sector in Germany is very dissatisfied of the outcome of the organic reform and appealed to the COM in relation to the implementing legislation that will follow.

DK acknowledged progress on several points but expressed disappointment concerning demarcated beds and controls of retailers. It also raised the issue of organic production of mussels where the provisions result in a very strict approach and expressed the hope for a better solution. It also expressed disappointment on the deletion of the paragraph under Article 30 providing for additional information on trade agreements.

DK also suggested that MS experts are involved in the work of cleaning the text and removing of potential inconsistencies before the final endorsement.

SE will inform on the outcome of its Parliament session concerning the organic review.

PL expressed disappointment on the outcome of the last trilogue referring to issues related to animal welfare and to the transition period for ending equivalence with control bodies. It informed that PL is most likely to abstain during next CSL meeting.

LV expressed its willingness to support EE PDCY. Its final position will be communicated at the CSL meeting of 17/07/2017.

AT while acknowledging progress expressed doubts about the organic review in particular concerning lack of harmonisation, which could create problems for the internal market and not be in line with Better Regulation.

CZ expressed disappointment on the outcome of the review in particular concerning lack of harmonisation and also pledged to give the possibility to Ministers to debate during the next CSL meeting.

FI pledged for the possibility for Ministers to have a general discussion on the matter at the CSL meeting of 17/07/2017.

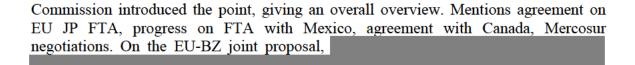
EE PDCY underlined the complexity of the discussions that took place and, in the light of the delicate balanced that has been reached, concluded that it does not intend to open any political discussion and debate on the matter but only to get assurance on the agreement at the CSL meeting of 17/07/2017. During that meeting those MS that have eventually changed their position will be invited to take the floor at first place. Of course, other MS wanting to intervene will be able to do so.

The SCA took note of Cion doc. 7956/14+ADD containing the outcome of the trilogue which took place on 28 June and took note of PRES intentions in view of CSL meeting of 17/07/2017.

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5. Trade-related agricultural issues

Information from the Commission



COM replies: confirms FTAs are much more than trade, and a defence against protectionism. Cion informed the delegations about the EU-JP agreement (based on the info that is currently available) and WTO. MS have been kept fully in the loop, 6 meetings after finalising text with Brazil, including 2 expert meetings.

PRES concluded by saying that discussion on this issue will continue in the Agrifish Council of next week and invited COM to regularly update the MS on the developments in international agricultural trade negotiations. PRES also encouraged MS to better coordinate their positions with their TRADE colleagues.

Contact: , DG AGRI, Unit A.2 Tel.:

6. AU EU Agriculture Ministerial Conference "Making Sustainable agriculture a Future for Youth in Africa" (Rome, 2 July 2017)

- Information from the Commission

Presidency invited the Commission to inform delegations about the outcome of the second AU EU Agriculture Ministerial Conference "Making Sustainable Agriculture a future for youth in Africa" that has taken place on 2 July 2017 in Rome, back to back the FAO Conference. This Conference has been co-chaired by the European Commission, the African Union Commission and the Estonian Presidency of the Council.

Commission thanked EE Presidency, as well as other MS like to NL (who organised the first Conference one year ago in Noordwijk), for their contribution and active support. DDG Benitez Salas underlined the success of this event which has contributed to reinforce the AU EU Partnership by building up political engagement ahead of the Africa-EU Summit (in Abidjan, Cote d'Ivoire, on 29-30 November) on a common vision on how to generate sustainable and inclusive growth, supporting job creation in the agri-food sector and rural economy for African youth, and ensuring a sustainable management of natural resources. She provided figures about participation and stressed the importance of this dialogue among

Agriculture Ministers because of the crucial role the agriculture and agri-food sectors play in the creating of jobs (tackling root causes of migration) and the achievement of Agenda 2030.

The Commission referred to the outcome of the conference (which is summarised in the 'concluding remarks' of the co-organisers that will now feed into the process of preparation of the Summit) and called MS to join forces with the Commission to deliver collectively and increase therefore the visibility/branding of EU engagement with Africa.

Contact: , DG AGRI, Unit A.1 Tel.:

- 7. EU particular status in the International Organisation of Vine and Wine (OIV)
 - Approval of a letter10430/17 AGRI 339 AGRIORG 58 OIV 11

The Presidency presented the exchange of letters between the Commission and OIV with a view to obtain a particular status. It indicated its willingness to support this exchange of letters if followed by a Commission proposal in the framework of Article 218(9) of the Treaty and if there is a mention to the EU's contribution. It indicated this should allow the EU to obtain particular status at the upcoming OIV meeting on 20 October 2017.

Commission (Schaps) expressed agreement with approach, highlighted process had been delayed for institutional reasons and stressed again need to finish this particularly long process, that started in 2005.

No delegations took the floor.

Presidency noted agreement of the SCA on the approach and indicated it would recommend its adoption at the upcoming Agricultural Council.

Contact: , DG AGRI, Unit G.2 Tel.:

- 8. 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 Regulation (EC) No 2012/2002, Regulations (EU) No 1296/2013, (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)
 - Debriefing of the last trilogue

The first trilogue on the agricultural provisions of the Omnibus proposal took place in Strasbourg on 5 July 2017. It focused on the amendments to the Horizontal and CMO Regulations (Regulation (EU) 1306/2013 and Regulation (EU) 1308/2013).

The EE PRES lauded the constructive atmosphere of first trilogue and confirmed the EP accepted preliminary to redrawn a number of EP amendments on the Horizontal Regulation, on condition that the Cion makes official statements.

The SCA took note of the information provided on the outcome of the trilogue held on 5 July as well as on the next steps.

Next steps:

- -WP of Agricultural Counsellors/Attachés (SCA) meeting on 20 July
- SCA meeting of **4 Sept** (in Tallinn)
- Second Trilogue on **7 Sept** (DP and RD)
- SCA meeting of 18 Sept (Brussels)

The aim of the meeting of 4 Sept. is to discuss the key political outstanding issues. These are: competition (in CMO), greening and VCS (in DP), risk management (in RD regulation). Cion proposes to have settled position for 4 Sept meeting but reminds AGRI is only a part of the whole Omnbus file (under remit of DG BUDG).

In preparation of this meeting, a document will be issued (together with a four-columned document for each basic act, and two Commission statements) by the end of this week. Delegations were invited to inform by 18 August their position on the amendments ("acceptable", "not accepted", or "accepted under certain conditions").

Current discussions will also be based on existing mandate (obtained under MT PRES). In light of the outcome of the discussion of 4 Sept, it is proposed to revise the mandate during the SCA meeting of **18 September**.

Reporting: , DG AGRI, Unit I.1 Tel.:

9. Delegated acts planned for the second half of 2017

Information from the Commission

The Commission presented the indicative list of draft Delegated Acts circulated beforehand. Most DA relate to markets (sugar quota, tariff rate quotas, rice notifications, etc.).

Two delegations intervened (DK and NL) emphasizing the need of simplification in DA and the particular importance of the tariff quotas (NL).

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10. Organisation of future work

The next AGRIFISH Council meeting will take place on 17 (until 7 PM) and 18 of July in Brussels (draft agenda in circulation).

A number of delegations requested AOB points:

- **PL**: requests AOB point to be taken on <u>access to land for farmers</u>; note to be sent by this Wednesday.
- **BE**: requested an OAB on <u>drought in BE</u> (doc to be issued on Tuesday 11/07). To be taken together with ES and PT AOB on drought.

 $\hbox{\bf - ES}: \ requested \ an \ AOB \ on \ reflection \ paper \ regarding \ future \ financing \ of \ EU \ (point \ to \ be \ taken \ together \ with \ outlook \ conference).$

Finally, on 20 July there will be a WP of Agricultural Counsellors/Attachés meeting on Omnibus.

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