

Brussels, 22 March 2017

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NOTE TO MEMBERS OF THE COMMISSION

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

Brussels, 20 March 2017 - Summary record

The Special Committee for Agriculture continued its examination of agricultural elements in the proposed Omnibus Regulation, with the challenge of finding the right balance between simplification of the CAP governance and not compromising its robustness at the same time. This discussion will be continued in the forthcoming SCA meetings and it will be also submitted for political steer to Agricultural Ministers on 3 April.

[signed]

Further information:

1. Adoption of the agenda

I

2. Summary record of the 1545nd meeting of the SCA -7250/17 CRS CSA 5

II

3. 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)

Commission européenne/Europese Commissie, 1049 Bruxelles/Brussel, BELGIQUE/BELGIË - Tel. +32 22991111 Office: L130 - Tel. direct line

- Continued examination of the suggested compromise package

The SCA examined the revised compromise suggestions (document 6574/2/17 REV2). All four Regulations under the agricultural part of the "Omnibus Regulation" were discussed (Horizontal Regulation, Direct Payment Regulation, Common Market Organisation and Rural Development Regulation).

The Commission provided feedback on MS' comments received ahead of the meeting, focusing on the *permanent grassland* under the Direct Payments Regulation and the *national financial assistance* under the CMO Regulation. MS were invited to indicate in which areas they could not accept the compromise proposal.

With regard to <u>Direct Payments</u>, although several MS indicated to need further time for assessment, a majority of MS seems now to be able to accept the compromise proposal. The most problematic points for the Commission are the changes to permanent grassland and voluntary coupled support.

In the <u>CMO Regulation</u> the most sensitive issues are national financial assistance and the additional amendment to the definition of wine requested by France.

As regards as <u>Rural Development</u>, again most MS seem to be able to accept the compromise proposal, though some MS still have problems with regard to investments in irrigation, crop, animal and plant insurance and investments in physical assets and advisory services.

MS generally supported the compromise text for the <u>Horizontal Regulation</u>. Two MS indicated however that the compromise proposal for the threshold for recoveries is unacceptable to them.

After two table rounds, the Commission clarified some of the questions raised. The Presidency concluded by saying that the Omnibus will be on the agenda of the SCA of March 27 for which they will prepare a consolidated document. All issues on which no agreement will be found on the 27th, will be tabled for the AGRIFISH Council on April 3th.

The SCA took note of the views expressed by the delegations and of the Commission reaction.

Reporting:	De	GAGRI,	Unit I.5 Te	el.:
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8. Organisation of future work

The next **SCA** will take place on 27 March. The indicative agenda includes the *Omnibus* point (with the aim for submission in the AGRIFISH Council of 3 April) and a debriefing on the Trilogue meeting of 22 March on *organics*.

The next **AGRIFISH** Council will take place on 3 April in Luxembourg. The provisional agenda includes *Omnibus* and the Commission report on *EFA* (Ecological Focus Areas).

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