

COUNCIL OF THE EUROPEAN UNION



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PRESS RELEASE

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Agriculture and Fisheries

Brussels, 22 February 2010

President Elena ESPINOSA Minister for Agriculture of Spain



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Main results of the Council

The Council held an exchange of views on the *future of the CAP* as regards *market management measures in the years after 2013*, based on a presidency paper.

The Council also held an exchange of views on the Commission's report "Options for **animal** welfare labelling and the establishment of a European Network of Reference Centres for the protection and welfare of animals".

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1	Where declarations, conclusions or resolutions have been formally adopted by the Council, this is indicated in the heading for the item concerned and the text is placed between quotation marks. Documents for which references are given in the text are available on the Council's Internet site (http://www.consilium.europa.eu). Acts adopted with statements for the Council minutes which may be released to the public are indicated by an asterisk; these statements are available on the Council's Internet site or may be obtained from the Press Office.

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PARTICIPANTS

The governments of the member states and the European Commission were represented as follows:

Belgium: Ms Sabine LARUELLE

Mr Benoît LUTGEN

<u>Bulgaria:</u> Mr Miroslav NAYDENOV

<u>Czech Republic:</u> Mr Stanislav KOZÁK

<u>Denmark:</u> Mr M. Jonas BERING LIISBERG

Germany: Ms Ilse AIGNER

Mr Robert KLOOS

Estonia: Mr Helir-Valdor SEEDER

Ireland: Mr Brendan SMITH

Greece: Ms Aikaterini BATZELI

<u>Spain:</u> Ms Elena ESPINOSA MANGANA

Mr Josep PUXEU ROCAMORA Mr Joaquim LLENA i CORTINA

<u>France:</u> Mr Bruno LE MAIRE

Italy Mr Vincenzo GRASSI

<u>Cyprus:</u> Ms Egly PANTELAKIS

<u>Latvia:</u> Mr Jānis DŪKLAVS

<u>Lithuania:</u> Mr Kazys STARKEVICIUS

Luxembourg: Mr Romain SCHNEIDER

Hungary: Mr József GRÁF

Malta: Ms Theresa CUTAJAR

<u>Netherlands:</u> Ms Gerda VERBURG

<u>Austria:</u> Mr Nikolaus BERLAKOVICH Minister for SMEs, the Self-Employed, Agriculture and Science Policy Minister for Agriculture, Rural Affairs, the Environment and Tourism (Walloon Region) Minister for Agriculture and Food Deputy Minister for Agriculture, Commodities Section Deputy Permanent Representative Federal Minister for Food, Agriculture and Consumer Protection Permanent State Secretary Minister for Agriculture Minister for Agriculture, Fisheries and Food Minister for Rural Development and Food Minister for the Environment and the Rural and Marine Environment State Secretary for the Rural Environment and Water Minister for Agriculture of the Autonomous Community of Catalonia Minister for Food, Agriculture and Fisheries Deputy Permanent Representative Acting Permanent Secretary Minister for Agriculture Minister for Agriculture Minister for Agriculture, Viticulture and Rural Development Minister for Agriculture and Rural Development Deputy Permanent Representative Minister for Agriculture, Nature and Food Quality

Federal Minister for Agriculture, Forestry, the Environment and Water Management

Poland: Mr Marek SAWICKI

Portugal: Mr António SERRANO

Romania: Mr Mihail DUMITRU

<u>Slovenia:</u> Mr Milan POGAČNIK

<u>Slovakia:</u> Mr Vladimír CHOVAN

<u>Finland:</u> Ms Sirkka-Liisa ANTTILA

<u>Sweden:</u> Mr Rolf ERIKSSON

United Kingdom: Mr Jim FITZPATRICK

Mr Richard LOCHHEAD

Minister for Agriculture and Rural Development

Minister for Agriculture, Rural Development and Fisheries

Minister for Agriculture and Rural Development

Minister for Agriculture, Forestry and Food

Minister for Agriculture

Minister for Agriculture and Forestry

State Secretary, Ministry of Agriculture

Minister of State, Minister for Food, Farming and Environment Cabinet Secretary for Rural Affairs and the Environment (Scottish Government)

<u>Commission:</u> Mr John DALLI Mr Dacian CIOLOŞ

Member Member

ITEMS DEBATED

Animal welfare labelling and the establishment of a European Network of Reference Centres

The Council held an exchange of views on the Commission's report "Options for animal welfare labelling and the establishment of a European Network of Reference Centres for the protection and welfare of animals" $(\underline{15307/09})^1$.

Ministers in general agreed that information about animal welfare in livestock production could enable consumers to make informed purchasing decisions and help EU farmers to obtain the desired recompense for their efforts. At the same time, ministers made it clear that any welfare information system would have to be simple and easy to understand, as well as in line with the rules of the WTO. Many ministers also highlighted the need to avoid an increase in production costs as well as in the administrative and control burden. They also stressed the need to evaluate how to cover imported products.

Some ministers mentioned the organisation of information campaigns and the publication of flyers on animal welfare as other or complementary options for informing consumers.

Many ministers argued in favour of a label to recognize animal welfare levels going beyond the legal minimum standards. However, several of them insisted that such a label should not lead to a any downgrading of food produced in accordance with the legal minimum standards for animal welfare nor to any confusion with existing standards such as those for organic farming. Some ministers expressed a preference for a label recognizing the EU legal minimum standards, which are already very high.

The majority of ministers expressed a strong preference for a voluntary animal welfare labelling scheme rather than a compulsory scheme.

Many ministers supported the idea of an information system for the "European production model" as a whole, rather than having a separate information system for each standard. Some ministers suggested a step-by-step-approach, introducing as a first stage separate information systems for some key standards and creating, if appropriate, a new information system for other standards at a later stage.

¹ This and other documents for which references are given in the text can be found in the public register of the Council by typing in the corresponding number <u>http://www.consilium.europa.eu/showPage.aspx?id=549&lang=en</u>

Furthermore, a majority of ministers agreed that more research was needed to obtain scientifically sound and reliable indicators enabling labelling to allow consumers to distinguish between different animal welfare levels. They supported in general the creation of a European Network of Reference Centres which could facilitate sharing of information and provide technical support for the development and implementation of such indicators.

Following a conference on "Animal Welfare - Improving by Labelling?" organised by the European Economic and Social Committee, the European Commission and the German EU presidency in Brussels on March 2007, the Council in May of the same year adopted conclusions on animal welfare labelling (9151/07), inviting the Commission to assess further this issue and to submit a report in order to allow an in-depth debate on the issue.

The Commission published its report (<u>15307/09</u>) on 28 October last year, identifying various issues concerning animal welfare labelling and communication, and the possible establishment of a European Network of Reference Centres for the protection and welfare of animals. The Commission expects an inter-institutional discussion on its text, feeding its reflections in shaping possible future policy options.

Presidency paper on the "Future of the CAP: market management measures post 2013"

Ministers held an exchange of views on the future of the CAP and in particular on market management measures after 2013, based on a presidency background paper and a questionnaire $(\underline{6063/10})$.

Ministers welcomed the presidency paper as a valuable contribution to the discussion on the future of the CAP, stressing the importance of striking the right balance between market orientation on the one hand and ensuring the viability of agricultural activity in the EU through appropriate market and crisis management instruments on the other.

Many ministers agreed that market orientation of European agriculture achieved as a result of the CAP reforms undertaken since 1992 was sufficient. Many referred to the contribution which the existing measures such as direct payments and market management measures make to dampening price and income risks for farmers. At the same time, they highlighted the necessity of keeping an efficient safety net in future, in particular against the background of growing price volatility and market instability, and the EU commitments in the context of the Doha Development Round of the WTO. Many ministers supported the presidency's suggestion of examining the possibility of complementing existing market management measures provided for in the single CMO and made suggestions, such as the creation of income insurance schemes, the strengthening of producer organisations and interbranch cooperation, futures markets and the setting up of a crisis fund. Many delegations also referred to ongoing discussions on the functioning of the food supply chain and asked to take into account the outcome of that work. A substantial number of ministers agreed that the future CAP should provide for a financial mechanism allowing the EU to respond rapidly to serious crises which offers flexibility in responding rapidly to such cases.

A number of ministers considered that market orientation in European agriculture could be further improved and insisted that further efforts to improve competitiveness would offer the best safety net. Some made it clear that any new market measures should not come on top of existing ones and also expressed doubts with regard to the creation of a financial mechanism to deal with crisis situations, as this would involve additional expenditure.

The presidency expressed its intention to table to the Special Committee for Agriculture (SCA) a follow-up paper summarizing the Council's debate.

The Council's debate followed previous discussions on the different aspects of the CAP post-2013 hold under the French, Czech and Swedish Presidencies. A final general reflection on the CAP post-2013 is scheduled to take place during the informal meeting of the ministers of Agriculture on 30 May - 1 June, to be held in Mérida, Spain.

Thereafter the Commission is expected to submit a communication on the post-2013 CAP in late autumn 2010, followed be legislative proposals in mid-2011.

State aid for the purchase of land in Italy

The Council did not reach an agreement on a request by the Italian government with a view to authorising Italy to grant state aid for the purchase of agricultural land between 1 January 2010 and 31 December 2013 (*16618/09*).

On 26 November 2009 Italy addressed an application requesting that the Council declares its state aid for the purchase of agricultural land from 2010 to 2013 compatible with the internal market rules.

Under article 108 (2) of the Treaty on the functioning of the European Union, the Council may decide by unanimity that a state aid shall be considered to be compatible with the internal market if such a decision is justified by exceptional circumstances.¹ This decision must be taken within three months after the application submitted by a EU member state for authorisation.

Under the Community guidelines for state aid in the agriculture sector applied during the period 2000-2006, it was possible to grant state aid for purchase of land costing up to 40%-50% of the eligible expenses of the investment. Such a possibility was ruled out under the 2007-2013 guidelines, with a phasing out by 31 December 2009.

¹ Abstentions by member states do not prevent the adoption by the Council of acts which require unanimity (article 238(4) of the Treaty on the functioning of the EU).

ANY OTHER BUSINESS

Extension of the deadline for using unenriched cages

The Council took note of a request made by the Polish delegation to postpone the date imposing the prohibition of unenriched cages for laying hens by five years (6136/10). Council directive 1999/74 lays down minimum standards for the protection of laying hens and provides that the rearing of laying hens in so called unenriched cage systems¹ is prohibited with effect from 1 January 2012. The Commissioner in charge of Health and Consumer Policy, John Dalli, rejected this request, but proposed to the Polish authorities that they use the existing possibilities within the rural development programmes for bringing poultry holdings into line with those standards by that deadline.

Age limit for animals submitted to BSE tests

The Belgian delegation welcomed the Commission's intention to submit a new action plan regarding measures against TSE. It urged the Commission to decrease the amount of healthy cattle for human slaughter that need to be tested against BSE, either by increasing the age limit for testing from 48 to 60 months or by limiting the testing requirement only to cattle born before 1 January 2004 (6420/10). The Commissioner in charge of Health and Consumer Policy, John Dalli, confirmed to the Council that the Commission is currently working on a TSE road map for the years 2010-2015, due to be presented this spring. One of the key questions covered by this document concerns the age limit for BSE tests.

Q-Fever

The Council was briefed by the Netherlands minister for Agriculture, Nature and Food Quality, Ms Gerda Verburg, on the situation of Q-fever in the Netherlands and the measures taken to control the outbreak (<u>6421/10</u>). Ms Verburg announced an international symposium on Q-Fever, jointly organised by the Dutch authorities and the European Food Safety Authority on 25 and 26 February 2010. One question to be discussed is whether the EU rules for the eradication of animal diseases should be extended to Q-Fever.

¹ Unenriched cages are cages which do not meet certain minimum requirements for space and for facilities to express the birds' natural behaviour, such as nest, litter and perches. Building or bringing into service for the first time of such systems has already been prohibited since 1 January 2003.

Illegal trade in ivory

The Netherlands delegation drew the attention of the Council on the increase of the illegal trade in ivory (<u>6595/10</u>). Standing in for the Commissioner in charge of the Environment, Janez Potočnik, the Commissioner in charge of Agriculture and Rural Development, Dacian Cioloş, expressed the Commission's intention to strengthen the protection measures for elephants at international level and recalled the efforts which the EU was already undertaking in the framework of the MIKE programme and the CITES convention.

Crisis of the agricultural sector in Greece

With the support of the Bulgarian, Cypriot and Polish delegation, the Greek delegation drew the attention of the Council to the difficulties of its agricultural sector, asking for immediate and long-term measures (<u>6566/10</u>). Commissioner Dacian Cioloş shared the assessment of the Greek delegation and gave a commitment to examine appropriate short- and long-term measures.

Sugar

The Portuguese delegation, supported by Bulgaria, Finland, Romania and the United Kingdom, asked the Commission to propose exceptional measures for the sugar refinery industry in order to rebalance the impact of the additional out-of-quota exports on the supply of raw sugar cane $(\underline{6547/10})$. The Polish delegation indicated that it could not support this request. Commissioner Cioloş informed the Council that in the view of the Commission the condition for exceptional measures under the single CMO (Council regulation 1234/2007), i.e. the presence of a supply problem, was not met. In fact, the Commission expected there to be a sugar surplus of around 300 000 t next year.

Cereals market

The Council took note of a request made by the French delegation to take appropriate measures to alleviate the situation on the cereals market (<u>6603/1/10 REV 1</u>). Commissioner Cioloş conceded that the market situation for barley was currently difficult, but insisted that specific measures such as export refunds were, at this stage, not justified nor would they improve the price level.

OTHER ITEMS APPROVED

GENERAL AFFAIRS

Rules of procedure of the Court of Auditors

The Council approved the rules of procedure of the Court of Auditors (5238/10).

TRANSPORT

European rail network for competitive freight*

The Council adopted its first-reading position on a draft regulation aimed at the creation of a European rail network for competitive freight, made up of international corridors (11069/5/09 REV 5, 5999/10 + 5999/10 ADD 1).

The network is designed to provide operators with an efficient freight transport infrastructure which should enable them to offer a high-quality service and to be more competitive on the goods transport market. The regulation sets out the rules for the establishment and the modification of freight corridors, their organisation and governance, and measures for implementing freight corridors, investment planning as well as capacity and traffic management.

Member states are to establish, at the latest in three years or exceptionally five years after the entry into force of the regulation, initial freight corridors according to the list of principal routes set out in the annex to the draft regulation. At a later stage, member states not mentioned in the list will have to participate in the establishment of at least one corridor. Moreover, upon request from a member state, member states will have to participate in the establishment of a corridor or prolongation of an existing corridor, if this is necessary to allow a neighbouring member state to fulfil the obligation to establish at least one corridor. Derogations from those obligations are possible under certain conditions.

Operators requesting infrastructure capacity for freight trains crossing at least one border along the freight corridor will be able to submit their application at a "one-stop shop", i.e. in a single place and a single operation for each corridor.

The Council's position at first reading is based on a political agreement among member states reached at the Transport Council on 11 June 2009. It has been amended to take account of the entry into force of the Lisbon Treaty and will be transmitted to the European Parliament for a second reading under the ordinary legislative procedure.

CUSTOMS UNION

EU/San Marino agreement

The Council adopted a decision on the Community position to be taken within the joint cooperation committee of the EU/San Marino agreement on cooperation and customs union for the proper implementation of the agreement (6143/10).

TRANSPARENCY

Public access to documents

The Council adopted:

- the reply to the confirmatory application made by Ms Sigita URDZE (01/c/01/10), the Swedish delegation voting against (<u>5290/10</u> + 5290/10 COR 1 (sv));
- the reply to the confirmatory application made by Mr Petter ERICSON (02/c/01/10) (02/c/01/10) (<u>5442/10</u>);
- the reply to confirmatory application $\frac{03}{c}/\frac{01}{10} \frac{03}{c}/\frac{01}{10}$;
- the reply to confirmatory application 04/c/01/10, the Swedish delegation voting against (<u>5734/10</u>).