

Brussels, 17 December 2003

## **Outcome of Agriculture/Fisheries Council of December 2003**

### **Agriculture**

#### **Reform of tobacco, olive oil, cotton and hops sectors**

The Council held a debate on the Commission's legal proposals. On olive oil, Commissioner Fischler stressed the importance of a significant de-coupling of the aid and avoiding the disappearance of traditional, ecologically important groves by keeping an element linked to production. As to cotton, Mr Fischler insisted that the proposal to keep 40% of the aid coupled would on the one hand avoid abandonment of production, on the other would not lead to a further boost in cotton production with its negative impact on the environment. On tobacco, the Commissioner rejected the idea of a partial decoupling. "This would mean that producers would just grow tobacco to receive their premia. This would neither be in line with the objective of sustainable development, nor with the reform goals to achieve more market orientation and quality production." As to hops, he stressed the importance that the membership in producer organizations be voluntary.

#### **Situation on the European pork market**

Due to the current crisis situation in the pork sector, several delegations asked the Commission to introduce market support measures. "I share the view that the pig meat market in the present crisis must be supported. The Commission submitted therefore a proposal to the Management Committee to introduce aid for private storage. Applications for this aid can be lodged as from Monday, 22 December 2003 and the conditions for this measure are the same as last year. The reintroduction of refunds however would be a step in the wrong direction. Since summer 2000 the refunds for these products have been put to zero and nevertheless our operators succeeded to participate actively in the world trade. We should continue this policy. In addition, the reintroduction of refunds would increase the international criticism of this instrument and our future work within the framework of the WTO negotiations would become more difficult", Mr Fischler said.

#### **Set-aside**

The Council decided to reduce the rate for compulsory set-aside for cereals from January 2004 in order to stabilise the EU grain market which has been negatively affected by this summer's drought.

## **US wine imports**

In the light of the ongoing EU-US negotiations on a bilateral agreement on trade of wine, the Council adopted a Commission proposal to extend the derogation that authorizes the marketing in the European Union of the US wines which underwent oenological practices not admitted by the EU.

## **Basmati rice**

The UK raised the issue of Basmati rice. The Commission is currently reviewing the import regime for basmati rice from India and Pakistan with the aim of having a more accurate definition of the rice that can benefit from the duty abatement of EUR 250 per ton. The objective is to tighten control of imports of Basmati rice, that are recognised by all the parties involved to be subject to a high risk of fraud. The Commission believes that a differentiation between traditional and hybrid varieties of rice is warranted. **Only traditional varieties** with the highest market prices should benefit from the abatement. Another aspect which is just as important is the consideration that the current regulation dating from 1996 specifies that the abatement is also given to hybrid varieties, as the price of certain varieties of hybrid basmati rice were around the same level as the price of pure line varieties. Prices have since evolved and clearly show that hybrid varieties do not play in the same market as traditional varieties.

The Commission feels that it is essential to preserve the quality and reputation of Basmati rice, in the interest of both the producing countries and the European consumer. The spirit of the abatement is indeed to recognize the specificity of Basmati rice and the high price which it commands. "We are of course open to receiving all relevant information on the evolution of prices which the producer countries may wish to communicate to us", Commissioner Fischler said.

## **Food Safety**

### **Sheep and goats' identification and registration**

Ministers adopted a Regulation on the identification and registration of sheep and goats as part of ongoing efforts to prevent the spread of animal diseases. Stopping animal disease epidemics requires quick action. To do this it must be possible to quickly determine an animal's place of origin and its movements throughout the EU. The Regulation will reinforce current measures, specifically by gradually introducing in all Member States an identification system to mark each animal, making it possible to trace the individual movements of sheep and goats. Health and Consumer Protection Commissioner David Byrne welcomed Council's adoption: "The foot and mouth disease crisis showed us the urgency of having systems in place to prevent the spread of contagion. The tagging system introduced by this Regulation will make it possible to rapidly determine where animals come from and where they have been, making it possible to trace the movements of infected animals. Great care has been taken to make sure the practical implications of this legislation do not become a burden for farmers". (for further information see [IP/03/1761](#))

### **Animal transport**

Ministers discussed a progress report on the Commission's proposal for a Regulation on animal transport (see [IP/03/1023](#)). To improve enforcement, the Regulation identifies the chain of all those involved in animal transport and who is responsible for what as well as introducing efficient enforcement tools, such as checks via the tachograph.

The Commission's proposal also foresees much stricter rules for journeys of more than 9 hours which mirror other EU legislation governing the time that drivers can spend on the road. David Byrne said: "The Commission has a strong desire to see substantial improvements in the protection of animals transported in the European Union. The 'state of play' presented today highlights that, following the analysis of the experts in the Council, the Commission proposal attracts broad support on several key aspects. I hope that the current momentum can be sustained and that the positive results achieved thus far will motivate future work, under the Irish Presidency, in order to reach an early agreement on the issue."

The European Parliament will organise a public hearing on the subject in January 2004 and is expected to provide its opinion by April next year. Currently about 10% of animal transport in the EU consists of long distance transport.

### **Food and feed controls**

Ministers discussed a progress report on the Commission's proposal for a Regulation on official food and feed controls (see [IP/03/182](#) and [MEMO/03/24](#)). The proposed Regulation will streamline and reinforce the existing control system – with added bite, consisting of stricter enforcement mechanisms. The proposal aims to cure weaknesses in current legislation by improving the efficiency of control services performed by both Member States and the Commission. It defines tougher enforcement measures. It also creates a framework to support developing countries in meeting EU import requirements and provides for a financial framework to organise activities that enhance food and feed safety. Commissioner Byrne emphasised that the Regulation had to have a wide scope, covering controls on food and feed, but also animal health and welfare. However, it was not the Commission's intention that the Regulation should interfere with how control services are organised in individual Member States.

### **Pesticides: maximum residue levels in products of plant and animal origin**

The Italian Council Presidency presented a progress report on the negotiations in the Council working groups. Commissioner David Byrne thanked Italy for the priority with which the issue was dealt with during its Presidency. He said: "The purpose of the Commission's proposal is the harmonisation, at the European level, of the maximum residue levels (MRLs) of pesticides permitted in products of plant and animal origin. I understand the Irish Presidency has great ambitions with this project and has already scheduled a series of expert meetings. I also look forward to an early first reading in the European Parliament, especially given that this is such an important consumer protection issue." (see [IP/03/383](#)).

Under **Any Other Business**, Ministers discussed **feed hygiene** and the progress made so far in the Council on the Commission's proposal for a new Regulation on hygiene requirements for animal feed. (see [IP/03/567](#)). They also discussed the state-of-play of negotiations with Russia on veterinary matters. The aim is to sign an agreement in this regard in April 2004.

### **Fisheries**

*Results will be added at the end of the Council.*