



Brussels, 19 March 2014

BACKGROUND¹
AGRICULTURE and FISHERIES COUNCIL
Monday 24 March 2014, in Brussels

The Council meeting will address agricultural and fisheries matters; it will start at 10.00 on Monday 24 March 2014. The Council will be chaired by Mr Athanasios Tsiftaris, Minister for Rural Development and Food.

*Concerning agriculture, the Council will hold a policy debate on the proposal for **promotion measures for agricultural products** on the internal market and in third countries. The issue was debated at the last Agriculture Council meeting.*

*Ministers will be briefed by the Commission about its proposal for a regulation on **organic production and labelling of organic products**.*

*The Commission will also present to the ministers a report on the **functioning of the fruit and vegetable sector** and a report on the **mandatory indication of the origin of meat used as an ingredient**.*

*With regard to fisheries issues the Council could reach agreement on the establishment of a **TAC for sandeel for 2014**. Ministers will be briefed and have an exchange of views on the **Coastal states consultations on mackerel**.*

*Finally, ministers will be briefed on a **honey breakfast initiative**, a forum on **family farming**, **imports of rice into the EU** and **illegal, unreported and unregulated fishing**.*

*Over lunch, ministers will hold a discussion on **international agricultural trade issues**.*

A press conference will take place at the end of the session (+/- 20.00).

*The public events and the press conferences can be followed via video streaming:
<http://video.consiliums.europa.eu>*

Video coverage of the event will be available for preview and download in broadcast quality (MPEG4) on www.eucouncil.tv

Photos of the event can be found in our photographic library on www.consilium.europa.eu/photo where they can be downloaded in high resolution.

¹ This note has been drawn up under the responsibility of the Press Office.

P R E S S

AGRICULTURE

Information and promotion measures for agricultural products

The Council will hold a policy debate on the proposal for a regulation on information provision and promotion measures for agricultural products on the internal market and in third countries ([16591/13](#)).

The proposal was already discussed at the last Agriculture Council meeting in February when the Presidency highlighted this issue in its work programme as one of its priorities. On that occasion, many Member States saw real added value in maintaining information and promotion measures on the internal market; others, however, considered that promotion should focus on third countries to avoid distortion of competition within the EU. A majority of delegations regretted that the proposal did not envisage co-financing by Member States pointing out that SMEs and producer organisations would be affected and would not have the financial capability to engage in such actions. Many delegations pointed out the need to improve Member States' involvement in the whole process of selecting promotion programmes. Some countries would like to extend the list of products covered by the measures and others insisted on the need to check closely the use of the budget for information and promotion in the light of the increase provided for in the proposal.

As regards the production of and trading in agricultural and agri-food products, the EU is today faced with a very competitive environment, which largely results from the globalisation of markets, and this trend is set to continue in the coming years. In addition, on the internal market and in third countries the logos on products that benefit from the EU quality scheme logo are generally not recognised by consumers. This context calls for a renewed policy of promotion in the framework of the Common Agriculture Policy (CAP) reformed last year.

The proposal provides that measures should follow a strategy of identifying priorities on markets and products or messages to be highlighted. As the CAP reform encourages farmers to organise themselves, the scheme should be opened up to new beneficiaries, such as **producer organisations**. Strict guidelines should be established as regards the possibilities for mentioning the origin of products or brand names as a means of illustrating the main generic message highlighting the **intrinsic characteristics of European agricultural products**. **Programmes submitted by operators from different Member States** to promote the diversity of European agricultural products will be encouraged as part of the reform of the promotion policy. The proposal includes the development of **new technical support services for stakeholders**, favouring the exchange of information on information provision and promotion measures or good practices and allowing their expertise to be developed. It also aims to **simplify the management of the information and promotion policy**. Managing **multi-country programmes** would make it easier for them to be set up and implemented.

Compared to the present situation, the proposal suggests a gradual but significant increase in the budget allocated to information provision and promotion measures for agricultural products (from EUR 61.5 million in the 2013 budget to EUR 200 million in 2020).

New proposal on organic farming

The Commission will present to the ministers a proposal for a regulation on organic production and labelling of organic products. In December last year, the Council was briefed on the main results of the public consultation on organic farming conducted by the Commission: on this basis, a review of the legal framework on this issue was announced ([17375/13](#)).

On that occasion, while Member States welcomed the results of the public consultation on organic farming, which demonstrated the citizens' great interest in this area, they urged the Commission to be cautious with its review of the legal framework. They considered that the current legal framework on organic farming was established quite recently and that any review should not create a discrepancy with existing provisions.

The public consultation showed wide public interest in this issue: almost 45 000 responses were received. The report on the public consultation highlights that consumers trust organic products (71 %), and that they buy them mainly out of concern about the environment (83%) and because they are free from GMOs and pesticide residues (81%). The vast majority (78%) also indicated that they were prepared to pay more for organic goods. The report also showed a very strong demand for harmonised rules at EU level. In addition, more than half of the interviewees also called strongly for an improved European control system for organic products.

Report on the fruit and vegetables sector since the 2007 reform

The Council will take stock of a report from the Commission on the implementation of the provisions concerning producer organisations, operational funds and operational programmes in the fruit and vegetables (F&V) sector since the 2007 reform ([7312/14](#)).

Producer organisations (POs) became the cornerstone of the EU regime for the F&V sector in the 1996 reform with the aim of strengthening the position of producers in the face of greater concentration of demand. For the first time, POs could receive EU support in the form of a contribution to the operational funds needed to implement operational programmes.

The 2007 reform aimed to strengthen the POs further by providing a wider range of tools to enable them to prevent and manage market crises. Incentives were created to encourage mergers between POs, associations of POs (APOs) and transnational cooperation. There was special emphasis on protecting the environment, with POs required to include a minimum level of environmental spending in their operational programmes. The 2007 reform also removed export refunds in the sector and decoupled aid for fruit destined for processing.

The report points out that there is a persistently low degree or lack of organisation in the F&V sector, particularly in some southern Member States and some Member States that joined the EU in 2004 and later. This rules out benefits from specific aid for the sector organised by the POs; it also weakens the bargaining power of the producers within the supply chain. The very low use of crisis prevention and management instruments by the POs shows that they need to be improved.

Complexity of rules and lack of legal certainty have also been indicated as weaknesses of the current regime. Simplification and securing the legal framework need to be a priority in a future revision, also for reducing the red tape for farmers and managing authorities. The Commission considers that a refocusing of the operational programmes could contribute more to key objectives such as improving attractiveness of POs, boosting products' commercial value, optimising production costs and stabilising producer prices.

The Commission could build upon the results of this report and the upcoming debate to present legislative proposals at a later stage to revise the EU aid scheme for the fruit and vegetables sector.

Report on the indication of the origin of meat

The Commission will present publicly to the ministers a report on the mandatory indication of the origin of meat used as an ingredient ([18148/13](#)).

A report on the possibility to extend mandatory origin labelling for all meat used as an ingredient was published in December last year by the Commission. This report weighs up the need for the consumer to be informed and the feasibility of introducing mandatory origin labelling, and provides a cost-benefit analysis including the impact on the single market and on international trade. This report is of particular importance in the light of the fraudulent mislabelling of beef products in the EU revealed at the beginning of last year.

On the basis of the discussions in the Council and the European Parliament the Commission will consider what, if any, next step is appropriate. This may include tabling a legislative proposal to regulate the origin of meat used as an ingredient in foods.

The report assesses three scenarios:

- 1) maintaining origin labelling on a voluntary basis (which maintains the status quo);
- 2) introducing mandatory labelling on the basis of
 - a) EU/non-EU or
 - b) EU/ specific third country indication (e.g.: Brazil) and
- 3) introducing mandatory labelling indicating the specific EU Member State or the specific third country.

The main findings reveal that:

- Consumer interest in origin labelling for meat used as an ingredient appears to be considerably strong (90% of consumers).
- There are a considerable differences between EU Member States on consumer preferences and understanding of origin information as well as on the levels of motivation and reasons for wishing to have such information.
- Consumer interest in origin labelling ranks behind price and quality in terms of the most important factors affecting consumer choice..

FISHERIES

Management of sandeel - establishment of a TAC for 2014

The Council could reach agreement on the establishment of a total allowable catch (TAC) for sandeel for 2014.

This issue is of particular importance for Denmark, which is the main stakeholder in the sandeel fisheries. Owing to the short-lived nature of this species, the fishing season for sandeel opens on 1 April. The scientific advice for this stock generally becomes available just before the beginning of the fishing season. This year the scientific advice for 2014 was published on 28 February, leaving very little time to prepare and adopt a specific decision.

In December 2012, the Council invited the Commission to submit separate TAC proposals for each stock of short-lived species, including sandeel.

Coastal States consultations on mackerel

The Commission will report back to Council on the five-year arrangement for mackerel in the North-East Atlantic, which was reached in London on 12 March between the EU, the Faroe Islands and Norway.

The arrangement, establishes a number of important principles, including a commitment to sustainable fisheries, a sharing between the parties, and a commitment to establish a new long-term management plan in 2014 following the advice of the International Council for the Exploration of the Sea (ICES) advice. The arrangement comes after several years without common Coastal State management of this important fish stock. Iceland is not part yet of this arrangement but the provisions of the arrangement make room for another Coastal State to join at a later stage.

Following the conclusion of this arrangement, an agreement was reached between the EU and the Faroe Islands on reciprocal exchanges of fishing opportunities in each other's waters for 2014. The new agreement involves the exchange of a number of important quotas, including cod, haddock, saithe and redfish for the EU, with Norway pout and blue whiting for the Faroe Islands. The parties have also agreed reciprocal access to each other's waters for mackerel and blue whiting.

In addition, EU-Norway bilateral consultations will later establish reciprocal exchanges of fishing opportunities in each other's waters for 2014.

ANY OTHER BUSINESS

European honey breakfast initiative

The Slovenian delegation will brief the ministers about an initiative to promote honey for the breakfast of children at school ([7855/14](#)).

For seven years, on every third Friday in November, Slovenian beekeepers have organised an education and promotion campaign entitled "Honey Breakfast". On this day nationally produced honey is offered to nursery and primary school children for breakfast. This campaign is aimed at establishing positive eating habits by focusing on the younger age group and highlighting the importance of environment preservation for bees.

In November 2014, this national initiative will be presented at the 3rd International Beekeeping Conference organised in Slovenia. Visits to schools organised on this occasion will give participants the opportunity to gain an insight into the implementation of the project and offer them the possibility of extending this initiative to other Member States.

Global forum on family farming

The Council will be briefed by the Hungarian delegation about the outcome of the Global Forum on Family Farming which took place in Budapest from 4 to 6 March 2014 (7890/14).

In the context of the International Year of Family Farming for 2014, the Food and Agriculture Organisation (FAO) and the Hungarian Ministry of Rural Development organised a Global Forum to identify the various political, policy, business and social elements that play a role in the complex environment in which family farms operate.

Rice market

At the request of the Italian delegation, the Council will take stock of the difficult situation that the EU rice sector is facing due to the progressive increase in EU imports of milled rice.

This issue was already discussed at the Agriculture Council in December last year, when Italy noted that in some EU regions where rice cultivation represents the most important agricultural activity, the area of land planted with rice is constantly decreasing due to decreasing profitability. According to Italy, this situation is made worse by the steady increase in EU imports of milled rice from least developed countries (LDCs) and from other countries with which the EU has bilateral agreements.

While taking note of these concerns, the Commission indicated at that time that it was very much aware of the need to keep the right balance between imported rice and EU-produced rice. It was closely monitoring the market situation and, if there proved to be a risk of market distortion, would be ready to act to avoid any major crisis.

Illegal, unreported and unregulated fishing

The Spanish delegation will inform the ministers about its concerns regarding the trade measures which could be adopted soon by the Council in the context of fighting illegal, unreported and unregulated (IUU) fishing.

These measures would directly affect the trade in fisheries products and other fisheries-related activities with Belize, Cambodia and Guinea in order to put a stop to commercial benefits stemming from illegal fishing activities. This would also have economic implications for Spain, which has fishing vessels operating in the waters of some of these countries.
