

Rùnaire a' Chaibineit airson Cùisean Dùthchail agus na h- Àrainneachd
Cabinet Secretary for Rural Affairs and the Environment

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— 28th October 2014

Dear Rob,

AGRICULTURE AND FISHERIES COUNCIL: 13 OCTOBER 2014

I am writing to provide you with a report on the outcomes of the EU Agriculture and Fisheries Council meeting which I attended in Luxembourg on the 13 October 2014.

I am copying this letter to the Convener of the European and External Relations Committee, for information.

Best wishes
Richard

RICHARD LOCHHEAD

AGRICULTURE AND FISHERIES COUNCIL REPORT: 13 OCTOBER 2014

SUMMARY

The impacts of the Russian import ban dominated both the agriculture and fisheries agenda. The Cabinet Secretary met with Commissioner Damanaki and George Eustice to press the case for a relaxing of quota banking regulations for affected fisheries. This resulted in the successful addition of provisions into the Baltic Sea TAC and Quota regulation. This allows Scottish fishermen to “bank” additional mackerel and herring quotas, allowing them to catch these quotas in 2015 when market conditions may be more favourable and/or new markets have been established. There was an exchange of views on the priorities for the forthcoming negotiations with Norway on the management of joint stocks. The Commission confirmed its intention to compensate Finnish and Baltic dairy producers affected by the Russian ban. Member States agreed to raise the EU co-financing rate in response to African Swine Fever.

KEY OUTCOMES

Russian import ban on EU fishery products

Scottish mackerel fishermen have been the worst affected UK sector by the Russian ban on EU agriculture and fisheries products. One means of ameliorating the impact is to allow fishermen to transfer allowable catches from 2014 to 2015, (banking) providing time for the identification of new markets for mackerel. Richard Lochhead had written to the Commissioner in advance of the Council and was invited to meet with Ms Damanaki to discuss options over lunchtime at Council. It was clear that the Commission wanted to help EU fishermen and agreed that the best mechanism was to include provision to increase banking through an amendment to the Baltic TAC and Quota regulation. This was duly achieved with the support of other Member States during the afternoon session of the Council and represents a significant achievement for the Scottish Government.

Fisheries

EU Norway negotiation

In the annual exchange of views in advance of the start of EU/Norway bilateral fisheries agreement, Member States expressed their priorities. Commissioner Damanaki looked forward to easier discussions this year, given the achievement of a trilateral agreement over mackerel, though extending the agreement to accommodate Iceland's expectations could be difficult to achieve this year. Cod again was a central concern of North Sea Member States, with the UK pressing the case for an extension of the successful Fully Documented Fisheries scheme as a means of preparing for the landing obligation. Other Member States expressed concerns about the implications of such schemes on relative stability shares. There were also exchanges on the transfer of Arctic cod fishing opportunities to the EU, some Member States requesting maximum transfers, others seeking a balance given the price the EU has to pay through transfer of EU stocks to Norway.

Russia's actions against Lithuanian fishing vessels

Under AOB, Lithuania drew attention to the fact that one of its fishing vessels was still being detained in Murmansk after having been boarded by Russian border guards in international waters. In a brief discussion, some Ministers expressed sympathy for Lithuania and concern about Russian actions. The Commissioner assured Lithuania that she was giving high priority to responding to this situation.

Agriculture

Commissioner Ciolos confirmed that the Commission wanted to provide direct compensation to the Baltic States and to Finland who were suffering as a result of the Russian import ban. Member States were sympathetic to the plight of these countries, and were willing to consider compensation. A significant group of Member States, including the UK, rejected proposals for the reintroduction of export refunds in the dairy sector and a temporary increase in the intervention price. There were concerns from some Member States that the pig sector would be the next market to suffer from Russian actions.

The Commissioner (Ciolos) offered an update on the progress of various trade negotiations (including TTIP, CETA and Mercosur), focusing on agricultural aspects. There was an acceptance from Member States that open, global markets were necessary, in part as a response to the Russian import ban.

Other business

Europe 2020 Strategy

A discussion on the mid-term review of the EU's 2020 strategy was undertaken. The presidency will prepare a short report of the discussion to submit to the December General Affairs Council.

Europe 2030 Climate and Energy Package

A Head of Delegation only (UK Minister) lunch focused on the treatment of agriculture and the land use sector under the 2030 climate and energy framework.

African Swine Fever

The Council endorsed a Commission proposal – in response to a request from Poland and the Baltic Member States – to increase the EU co-financing rate to 75% for measures to combat the spread of African Swine Fever.

- The next Agriculture and Fisheries Council will be held in Brussels on 10-11 November 2014.