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14 December 2015

AGRICULTURE AND FISHERIES COUNCIL: 14/15 DECEMBER 2015

I am writing to provide you with a report on the outcomes of the EU Agriculture and Fisheries Council meeting which I attended in Brussels on the 14 and 15 December 2015. The Council's main objective was to agree the EU Fishing Opportunities for 2016.

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

RICHARD LOCHHEAD

AGRICULTURE AND FISHERIES COUNCIL REPORT: 14-15 December 2015

BACKGROUND

1. The December Agriculture and Fisheries Council was held in Brussels on 14-15th December. Although there was an extensive list of agricultural items on the agenda, the most significant point was the agreeing of Total Allowable Catches for EU commercial fisheries stocks for 2016. The Cabinet Secretary for Rural Affairs, Food and the Environment, Richard Lochhead, represented the Scottish Government at the Council.

SUMMARY

2. EU Fisheries Ministers reached a political agreement on the Fishing Opportunities for 2016. In a positive outcome increases in 16 out of 23 key quotas including cod and haddock were secured. The attached table provides a detailed breakdown of the result for key Scottish stocks.
3. Other key priorities achieved included:
 - Ensuring that Total Allowable Catches (TACs) for data limited stocks were considered on a case by case basis
 - Successfully replacing Commission proposals for a Functional Unit approach to the Nephrops fishery in the Farne Deeps with an approach based on the application of domestic conservation measures
 - Acknowledgement in the form of a Commission statement on the need to take action to replace the discredited Cod Recovery Plan.
 - The continuation of the Fully Documented Fisheries scheme involving Scottish vessels.

However outstanding issues remain with West of Scotland and blue whiting stocks.

4. On agriculture, tentative agreements on a reform of the subsidised school fruit, vegetable and milk schemes were delivered. A long list of AOB items including crisis in the pigmeat sector, empowering young farmer were also discussed.
5. Council was chaired by Fernand Etgen, Minister for Agriculture, Viticulture and Consumer Protection.

KEY OUTCOMES

Fishing Opportunities 2016

6. This was the second Council at which fishing opportunities for the coming year would be set under the rules of the new Common Fisheries Policy (CFP), which aims to have all stocks fished at sustainable levels by 2020 at the

latest. This Council was also significant in terms of CFP reform as in 2016 a number of the more complex demersal stocks (such as haddock, sole and plaice) will come under the landing obligation, which aims gradually to eliminate by 2019 the wasteful practice of discarding dead fish at sea.

7. Scottish fishermen had already benefitted in advance of the Council as a result of the recent successfully negotiated agreements on joint fishing opportunities with Norway and the Faroes. The Norway agreement provided for a 15% increase in the TAC for the iconic North Sea cod stock, which in 2016 will be fished at Maximum Sustainable Yield (MSY) levels. Part of the success story of cod has been the Fully Documented Fisheries schemes which the UK and other Member States have been running. Agreement that these schemes could continue into 2016 was achieved despite strong opposition from France, Spain and Belgium.
8. Due to Scottish and UK lobbying the Commission committed itself to facilitate work to replace the discredited Cod Recovery Plan. An Irish proposal based on scientific uncertainty to alter the sharing arrangements for western herring stocks was defeated. Although no TAC was set for West of Scotland herring at the Council, the Commission has reserved the right to come forward with West of Scotland TACs before the start of the fishery in 2016. At our request, the UK put on record our disquiet at the Commission handling of a deal reached on Tuesday with Norway on blue whiting.

Fishing Opportunities in the Black Sea 2016

9. With only Romania and Bulgaria involved in this negotiation and only three TACs at stake the discussion on this Regulation was quickly wrapped up with only minor adjustments to the Commission proposal.

Subsidised School Fruit, Vegetable and Milk Schemes

10. Ministers agreed a tentative deal with the European Parliament on a reform of the subsidised school fruit, vegetable and milk schemes. A majority of Ministers supported the compromise offered on the main political issues with the European parliament pending further refinement of the final text at the Special Committee on Agriculture on 16 December.

SCAR – Bioeconomy

11. Ministers had a broad ranging exchange of views on a report by the Standing Committee on Agricultural Research (SCAR) entitled: “Sustainable Agriculture, Forestry and Fisheries in the Bio-economy – A Challenge for Europe”. Member State interventions highlighted the importance of the bio-economy to the overall objective of sustainable production and on the importance of food security.

Veterinary Medicines and Medicated Feed

12. The Presidency announced that the Council had agreed to negotiate in tandem the two proposals on Veterinary Medicines and Medicated Feed. Several Member States intervened to underline the need to limit the use of antibiotics. The Netherlands used the opportunity to highlight the “One Health” Ministerial Conference that they plan to hold during their Presidency.

ANY OTHER BUSINESS

13. There were a number of AOB items including those on Import of Honey, Crisis in the Pigment Sector and Codex Alimentarius. One AOB of particular interest to Scotland was:

Empowering Young Farmers

14. The Luxembourg Presidency updated the Council of Agriculture Ministers on the output of an International Young Farmers seminar it had co-hosted in July 2015. A number of Member States intervened to stress the importance of bringing in young farmers to the industry – and various ways of facilitating this move.

Future Work

15. The Netherlands will begin their Presidency from the 1 January 2016 and the next Agriculture and Fisheries Council is scheduled for 15 February.

Scottish Government EU Office

18 December 2015

NEGOTIATIONS ACHIEVEMENTS 2015

Total value¹ of quota allocated to Scotland in 2016²= Whitefish stocks = Pelagic stocks = Shellfish stocks =				£385.2 million £152.6 million £156.0 million £76.7 million
Change to the value of quota allocated to Scotland³ = Whitefish stocks = Pelagic stocks = Shellfish stocks =				-£0.6 million +£24.7 million -£23.0 million -£2.3 million
STOCK	AIM	ACHIEVED	NOTES	Value of change in quota
NS COD	AGREE 15% INCREASE Continuation of FDF	YES	Largest TAC for 10 years.	£2.2m
		YES	Successful reversal of proposal to stop the FDF scheme; scheme will discontinue at end of 2016.	
NS Haddock	AGREE 30% INCREASE Maximise LO top-up Ensure HP invocation	YES	Largest TAC for 10 years.	£12.4m
		YES	With the LO top-up the TAC increase equals 47%.	
		YES	Hague Preference invoked at 30%	
NS WHITING	REDUCE 15% ADVISED CUT Target a ROLL-OVER Ensure HP invocation	YES	Successfully averted a large TAC deduction and secured a roll-over for 2016. Reduced inward transfers in from Norway, down from 750 tonnes to 300 tonnes; effectively a 3% cut.	-£0.25m
		YES	Hague Preference invoked at 30%	
		YES		
NS SAITHE	Accept minor cut Maximise LO top-up Not increase outward transfers	YES	6% TAC cut	£0.0m
		YES	5.7% LO uplift effectively means a TAC rollover	
		YES	No increase to outward transfers to Norway	
NS HAKE	AGREE 6% INCREASE	YES	LO top-up takes the TAC increase to 20% - to be confirmed	£0.1m

¹ Based on 2014 average landings value of each stock

² Based on 2015 FQA holdings on Scottish licences

³ See footnote 1 & 2

STOCK	AIM	ACHIEVED	NOTES	Value of change in quota
NS ANGLERFISH	AGREE 20% INCREASE INCREASE FLEXIBILITY TO 15%	YES NO	One of the highest TACs in last 10 years.	£3.5m
NS MEGRIM	AGREE 26% INCREASE	YES	Highest TAC in over 10 years.	£1.2m
NS NEPHROPS	AVOID INDIVIDUAL FU MANAGEMENT for Farn Deeps	YES	Successfully resisted Commission proposal to introduce Functional Unit TAC for Farn Deeps.	-£8.6m
WS HADDOCK	AGREE 30% INCREASE Maximise LO top-up	YES YES	Highest TAC since 2007. Top-up brings the TAC increase to 47%	£1.8m
ROCKALL HADDOCK	AGREE 25% INCREASE Maximise LO top-up	YES YES	TAC increase with LO uplift equal to 25%	£0.4m
WS SAITHE	Accept minor cut Not increase outward transfer Ensure HP invocation	YES YES YES	-6% TAC change. Maintained outward transfer to Norway. Hague preference invoked at 50%; additional 1,257 tonnes to Scotland; effectively a TAC rollover	£0.0m
WS HAKE	AGREE 6% INCREASE Maximise LO top-up	YES YES	Discards transfer brings TAC increase to 20%.	£2.0m
WS ANGLERFISH	AGREE 20% INCREASE Increase flexibility to 15%	YES NO	Largest TAC in over 10 years.	£0.6m
WS MEGRIM	AGREE 26% INCREASE	YES	Largest TAC in over 10 years.	£0.5m
WS NEPHROPS	AGREE 15% INCREASE	YES	LO top-up brings TAC increase to 16%.	£6.4m
NS LING	AGREE 20% INCREASE	YES	Successfully overturned originally proposed decrease. Important due to potential choke species under LO.	£0.4m
WS LING	AGREE 22% INCREASE Not increase outward transfers	YES YES	See row above; and % share of balance to Norway maintained – higher tonnage, naturally, due to large TAC increase.	£0.5m
ATLANTIC MACKEREL	AVOID 37% ADVISED CUT Establish new LTMP	YES	15% reduction from 2015 TAC agreed. Still one of the highest TACs in the last ten years.	-£23m

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BLUE WHITING	REDUCE BALANCE TONNAGE AGREE EU TAC INCREASE EU SHARE	YES YES NO	At present, transfer to Norway more than halved in tonnage terms; 25,000 tonnes set aside for potential transfer to Norway. Ad-hoc EU-Norway agreement produced an EU TAC of 312,570 tonnes, an increase of 18%.	£0.3m
A-S HERRING	AGREE EU TAC AGREE 12% INCREASE	YES YES	Ad-hoc EU-Norway agreement produced an EU TAC of 20,629 tonnes, an increase of 12%.	£0.25m
NS HERRING	AGREE 16% INCREASE	YES	TAC has more than trebled since 2010 and is the largest TAC in the last 10 years.	£1.6m
WS HERRING	AVOID ZERO TAC Agree a commercial TAC	TBC NO	Commission statement: The commission may propose TACs before the end of February for both stocks.	-£2.75m