

Rùnaire a' Chaibineit airson Cùisean Dùthchail, Biadh agus an Àrainneachd
Cabinet Secretary for Rural Affairs, Food and the Environment

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In 2014 Scotland Welcomes the World



15th January 2015

Dear Rob,

AGRICULTURE AND FISHERIES COUNCIL: 15/16 DECEMBER 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 Brussels on the 15 and 16 December 2014. The Council's main objective was to agree the EU Fishing Opportunities for 2015.

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

RICHARD LOCHHEAD

AGRICULTURE AND FISHERIES COUNCIL REPORT: 15/16 DECEMBER 2014

SUMMARY

1. EU Fisheries Ministers reached a political agreement on the Fishing Opportunities for 2015. The main priorities secured for Scotland were: a continuation of the freeze on proposed cuts to days fishermen can spend at sea under the cod recovery plan; increases or smaller cuts in key quotas where supported by science; and, an undertaking to consider the feasibility of additional flexibility in the haddock fishery.
2. The final deal was positive with increases in quotas for North Sea monkfish (20%), prawns (15%), West Coast haddock (14%) and Rockall haddock (113%). A hard-fought rollover, rather than a reduction, was also secured for other important stocks including ling, skates and rays. This was the first time the Fishing Opportunities were set under the rules within the reformed Common Fisheries Policy (CFP), whereby decision making is based upon scientific advice, the principle of achieving maximum sustainable yield and elimination of discards.
3. Council held firm to their position on the 'Omnibus' regulation for implementing the landing obligation, being phased in from 1 January 2015. The Presidency had failed to reach an agreement on the proposal with the European Parliament on 10 December. The council position states that the 'Omnibus' should cover both demersal and pelagic stocks within the terms of the regulation, however, the Parliament would like to limit the scope to pelagic stocks in the first phase only (2015).
4. EU Agriculture Ministers gave Commissioner Hogan a clear mandate to retain the Organics proposal in the Commission Work Programme for 2015. The Agriculture Commissioner set out his simplification agenda for the Common Agricultural Policy (CAP) to cut red tape and bureaucracy. The Scottish Government strongly supports this simplification agenda in agriculture. A long list of AOB items including young farmers, dairy sector and rural development programmes were discussed.
5. Council was chaired for the final time by the Italian Presidency, Minister for Agriculture, Food and Forestry, Maurizio Martina.

KEY OUTCOMES

Fishing Opportunities 2015

6. The main item of the Council agenda was the annual negotiations for setting Total Allowable Catches (TACs) for the coming year. An important Council for Scotland given our major interest in the many stocks within these negotiations. In the run up to the Council, agreements had already been reached on joint shared stocks with Norway and the Faroes, allowing the Council to conclude the full package of both internal and external TACs for 2015. This was the first December Council for the new Commissioner Karmenu Vella, and the first under the rules of the reformed CFP. Scotland worked hard in collaboration with the UK to secure its top priorities resulting in increases to stocks in the North Sea, West of Scotland and Celtic Sea and a freeze on the cuts to the number of days fishermen are able to spend at sea under the cod recovery plan.

Fishing Opportunities in the Black Sea 2015

7. These negotiations, which only involve Romania and Bulgaria, were settled quickly and Ministers reached a political agreement on a rollover in TACs in the Black Sea for turbot and sprat.

Organics Regulation

8. The Presidency had failed to secure a Partial General Approach on the proposal at the Special Committee for Agriculture but nevertheless tabled a progress report at Council with guidelines for future work. Austria, with support from Denmark and the Netherlands, called for withdrawal of the proposal as had been suggested in the leaked Commission Work Programme. However, the majority of member states supported continuing work on the basis of the current proposals, taking account of the guidelines produced by the Presidency. Commissioner Hogan noted the clear and significant support to build upon and improve the existing proposal rather than withdraw it altogether. Later in the week the final Commission Work Programme gave member states and the European Parliament six months to reach agreement, or the Commission will withdraw the package and replace it with a new proposal.

Dairy Sector

9. Council held a debate on the future of the dairy sector ahead of milk quotas ending in March 2015. Commissioner Hogan noted that milk production was increasing ahead of the abolition and that although the price was low it was not historically low or in a state of crisis. He asked for patience to consider the measures that could be taken within budget restrictions and promised to come back to the matter in 2015.

Young Farmers

10. Council failed to agree Conclusions on support to young farmers. While most member states supported the principle of strengthening policies for young farmers, a number were unwilling to accept the suggestion that a new exemption to state aid rules should apply to provide interest free loans to young farmers for land purchases. The Presidency was unwilling to amend the text and so adopted the text as Presidency, rather than Council, Conclusions.
11. Council adopted Conclusions on **error rates in agriculture expenditure** and approved Presidency progress reports on **school fruit and milk schemes, plant health and zootechnical** proposals.

ANY OTHER BUSINESS

Out of a long list of AOB items those of particular interest to Scotland were:

‘Omnibus’ Regulation

12. The Presidency updated Ministers on the progress of discussions between Council and European Parliament on the ‘Omnibus’ regulation which facilitates the implementation of the landing obligation (discard ban). Although good progress had been made in the discussions, a political agreement between the European Parliament and the Council could not be reached because of diverging views on the scope of the regulation. The Parliament were unable to accept the Council’s position to include demersal stocks (for which a landing obligation won’t come into force until 2016) within the scope of proposals. The Parliament believes the rules should only apply to pelagic species and want a separate demersal landing regulation from 2016. The majority of member states held firm to the agreed Council mandate and opposed the idea of splitting the regulation. The Italian Presidency will now hand this over to the Latvian Presidency but the Commission committed to publishing guidance on the implementation of the discard ban as soon as possible.

CAP Simplification

13. Commissioner Hogan presented key elements of his CAP simplification agenda. Member states welcomed the initiative with some mentioning that ‘greening’ of the CAP should be a top priority for simplification. Others also mentioned that any review of the rules for Geographical Indications would need to maintain the current protective legislative certainty. The Commissioner thanked member states for their support and encouraged them to submit views based on their experience of implementation in the course of 2015.

Rural Development Programmes

14. Poland presented this item requested by 12 member states on extending the period of eligibility spending for rural development programmes 2007-2013. Belgium also requested extension of the current arrangement for making commitments under the old programme. The Commission said they would provide letters of comfort as soon as they consider that the new programmes were ready for adoption, but inter-service consultation must also be completed in order for this to be possible. The Commission will consider requests for extending unallocated spend from the previous programme for 6 months, but could not support the Belgian request to prolong transitional measures under the old programme, which would require a legal act.

15. Latvia began their Presidency from the 1 January 2015 and the next Agriculture and Fisheries Council is provisionally scheduled for 26 January.