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Agriculture and Fisheries

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Main results of the Council

School fruit, vegetables and milk scheme

The Presidency highlighted the progress achieved during the first half of 2014 on the proposals for regulations merging the aid scheme for the supply of fruit and vegetables, bananas and milk in school. The proposal aims to streamline the existing schemes with a view to increasing their efficiency and effectiveness and reducing their administrative burden. The school milk and the fruit schemes were established in the EU in 1977 and 2007, respectively, to promote the consumption of fruit, vegetables and milk products in schools. In the light of discussion in the Council the main issues identified are the legal basis for the proposal, the objective and the scope of the regime and the financing provisions.

Future of dairy products

The Council took stock of a report from the Commission on the development of the market situation in the milk sector, as provided for in the "Milk Package". The discussion following the presentation did not lead to the adoption of the conclusions on the milk sector prepared by the Presidency with a view to trying to reconcile positions among Member States urging for additional measures to ensure a proper soft landing and others asking for measures for the future of the sector. Any decisions on the future handling of this file is therefore left to the next Presidency

Council conclusions on the fruit and vegetables sector

The Council adopted conclusions on the Commission report on the fruit and vegetable sector since the 2007 reform. The Council noted that the reform had still to achieve its full potential: producer organisations played a central role but more could be done to improve their functioning and attractiveness. The Council also stressed the need to cut the red tape and simplify the rules and procedures, providing producers with a clear, predictable and transparent framework.

Landing obligation and discards ban

Ministers took stock of the preparations for the adoption by the Council of its position regarding a proposal for a regulation on the landing obligation. In addition, the Member States gave an update on the state of play of the preparation of discard plans at the regional level in line with the preparation of the implementation of the new Common Fisheries Policy (CFP). This allowed Member States to exchange opinions, experiences and information.

Animal health, plant health, seeds market and controls

The Presidency presented to the Council its progress report on the proposals of the package for animal and plant health and controls. In this package the Commission proposal on plant reproductive material is the most controversial and was rejected at first reading by the European Parliament. In light of the outcome of this vote, the Presidency gathered the views of Member States on the architecture of a possible revised Commission proposal for a regulation.

Other items

The Council adopted a decision authorising the opening of negotiations on agreements between the EU and third countries on trade in organic products. This should better balance these negotiations which are currently established on a system of unilateral equivalency.

The Council also adopted a regulation setting up a public-private partnership called Shift2Rail joint undertaking to boost rail innovation in Europe. It also adopted a regulation extending the mandate of the SESAR joint undertaking until the end of 2024.

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¹ • Where declarations, conclusions or resolutions have been formally adopted by the Council, this is indicated in the heading for the item concerned and the text is placed between quotation marks.

[•] Documents for which references are given in the text are available on the Council's Internet site (http://www.consilium.europa.eu).

[•] Acts adopted with statements for the Council minutes which may be released to the public are indicated by an asterisk; these statements are available on the Council's Internet site or may be obtained from the Press Office.

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ITEMS DEBATED

AGRICULTURE

School fruit, vegetables and milk scheme

The Presidency presented its progress report (10456/14) on the Commission proposals for regulations merging the schemes for the supply of fruit and vegetables, bananas and milk in schools. (5958/14)

The Presidency report highlights the progress achieved on these Commission proposals in the first half of 2014, after the initial Commission presentation to the Council in February. It was drawn up under the responsibility of the Presidency on the basis of the positions expressed within the Council and its preparatory bodies.

One of the two proposals amends the new regulation establishing the Common Market Organisation (CMO) adopted in the framework of the Common Agricultural Policy (CAP) reform. This amendment aims to streamline the existing schemes with a view to increasing their efficiency and effectiveness and reducing the administrative burden. The school milk and fruit schemes were established in the EU in 1977 and 2007, respectively, to promote the consumption of milk products and of fruit and vegetables in schools. As a supplement to this proposal, the Commission has also tabled a proposal amending the regulation determining measures on fixing certain aids and refunds related to the CMO (6054/14).

In light of the discussions in the Council, the Presidency has identified the following main issues:

- <u>legal basis of the proposals</u>: delegations unanimously supported the Council Legal Service's view that Article 43(3) TFEU (Council competence) - and not Article 43(2) TFEU (ordinary legislative procedure) - is the correct legal basis for the fixing of the level of aid;
- objective and the scope of the regime: in general, delegations agreed to the objective of merging the school schemes, with a view to increasing their efficiency and effectiveness and consolidating the legal and financial framework. They also confirmed the original objectives of the schemes, i.e. the promotion of the consumption of fruit, vegetables and milk, underlining the nutritional benefits for children. On the other hand, while a few delegations could support the idea of having a narrow list of eligible products for regular distribution as suggested by the Commission, many others considered the proposed scope unsatisfactory and preferred the scope of the existing scheme, in particular as far as dairy products are concerned.

<u>financing provisions</u>: while most delegations could support the total amount allocated in the financial "envelopes" for fruit and vegetables, bananas, and milk, the criteria for the allocation of EU aid were discussed extensively. Several delegations contested the choice of the criterion of "the historical use of funds under previous schemes for the supply of milk and milk products to children" to determine the milk envelope. They considered that it could be detrimental to those Member States that so far had not fully benefited from the school milk scheme or had no historical record having joined the EU only recently. However a number of other delegations considered the criterion of the historical use of funds particularly important to ensure that there would be no disruption in the functioning of the school milk scheme in their Member State.

The European Parliament is expected to start its work on the proposal in early autumn, after the electoral recess.

Future of the dairy sector

The Council took stock of a report from the Commission on the development of the market situation in the milk sector. The report was provided for in the "Milk Package", which entered into force in October 2012 with a view to improving the position of dairy producers and preparing the dairy sector for the end of the quota system in 2015. (10911/14).

Most Member States welcomed the Commission report which assesses in particular the effects of the "Milk Package" provisions on milk producers and milk production in disadvantaged regions and covers potential incentives to encourage farmers to enter into joint production agreements.

The report notes that the EU milk market situation is currently favourable and that the medium term prospects are good, despite the risk of extreme price volatility. The Commission explained how the "Milk Package" was transposed into national legislation leading in some cases to compulsory contracts between farmers and processors or to codes of good practice in other cases. Almost all Member States have adopted national criteria for the recognition of producer organisations. Collective negotiations under the "Milk Package" have also been conducted by recognised producer organisations. However, the report concludes that it is too early to fully appreciate the effects of the "Milk Package" on the milk sector in disadvantaged regions.

The Commission recalled that a European Milk Market Observatory has been set up and is currently being implemented by the Commission services with a view to supplementing the "Milk Package" tools and increasing transparency in the sector. This observatory monitors this specific market. Its aims is to give economic operators quantitative and qualitative tools which they can use to increase their market awareness and help them with business decisions.

In the debate that followed the presentation, Member States maintained divergent views on the possibility of additional "soft-landing" measures in the last year of the quota system. Some delegations considered that given the current favourable market conditions it would be necessary to ensure a smoother "soft landing" in all Member States, in particular those that risk exceeding their national milk quotas by way of adjusting the fat correction coefficients. However, a number of delegations opposed this request and expressed the view that the rules set in 2008 for the end of quota regime should be applied strictly to avoid a distortion of competition within the EU.

In view of the above, no conclusions on the milk sector could be adopted, leaving to the incoming Presidency the choice on the future handling of this file.

Implementation of the new Common Agricultural Policy

Ministers had an exchange of views on how Member States intend to implement at national level the key elements of the new Common Agricultural Policy (CAP), particularly as regards direct payments (10476/14).

The new CAP regulatory framework was adopted at the end of last year. After a transitional period this year, most of the measures provided for in the text will apply across the EU from 1 January 2015.

By 1 August 2014 Member States will have to notify the Commission of their decisions on a number of key elements in the "Direct Payments Regulation" (Regulation 1307/2013) reforming the CAP, particularly as regards:

- the use of the national envelopes (eg. the parts reserved for voluntary coupled support, the young farmers scheme and areas with natural constraints, the use of the mechanism to avoid unused funds and the simplified scheme for small farmers);
- the option of transferring funds between the two CAP pillars (if such decision was not notified by 31 December 2013);
- the reduction of the amount of direct payments above EUR 150 000 (i.e. the possibility to go beyond the 5% minimum rate);
- the setting-up of the basic payment scheme (eg. the application at national or regional level, the possibility to keep existing entitlements);

- the choice of continuing with the Single Area Payment Scheme (SAPS) or switching to the new basic payment scheme;
- the pace and rhythm of internal convergence (moving towards flat-rate direct payments at national or regional level);
- the introduction of the redistributive payment;
- the application of certain greening provisions (eg. the types of ecological focus area applicable to their territory, the application of weighting factors, the possibility of maintaining permanent grassland);

The most important flexibility element in the new CAP is the option of transferring funds between the CAP pillars. Some Member States indicated their intention to make use of this provions. Some of them will shift funds from the 2nd to the 1st pillar and others will shift funds in the opposite direction.

Member States stated that they are still awaiting replies from the Commission to a number of questions regarding the implementation of the "green payment".

Fruit and vegetable sector - Council conclusions

The Council adopted <u>conclusions</u> on the Commission report on the implementation of the provisions concerning producer organisations, operational funds and operational programmes in the fruit and vegetable sector since the 2007 reform.

The Commission report (7312/14) states that the 2007 reform has generated an increase in the share of the total value of EU fruit and vegetable production marketed by producers' organisations. However, it notes also that the degree of organisation between producers remains low in some Member States and that there are differences in the degree of organisation between producers in different Member States and in different regions. The Council therefore believes that producer organisations working in line with sustainable operational programmes under regulation 1308/2013 should continue to play a central role in achieving the objectives of the Common Agricultural Policy (CAP) for the fruit and vegetables sector. The Council invites the Commission to review and analyse the underlying reasons and possible improvements to better achieve the objectives set by the CAP in this sector, and, after an adequate period of implementation of the new regulation, if appropriate, take the necessary initiatives.

FISHERIES

Proposal for a regulation on the landing obligation

The ministers took stock of the preparations for the adoption of the Council position regarding a proposal for a regulation on the landing obligation (or "Omnibus" regulation) (18021/13).

While generally supporting the Presidency compromise with a view to finalising the work before the end of this year, some Member States expressed diverging views about some key open issues, including the elimination of minimum conservation reference sizes (MCRS) for the pelagic species in the North-East Atlantic and the introduction of exemptions for undersized marine organisms.

The Commission proposed the "Omnibus" regulation in order to help the future implementation of the discards ban, as agreed in the Common Fisheries Policy (CFP) reform. This proposal represents a temporary and urgently needed solution, which needs to be adopted by the end of this year. It consists of a series of amendments to a number of regulations establishing technical measures and control rules for the fisheries sector. The Council is preparing its position with a view to starting negotiations with the European Parliament in the second half of this year. The aim is the adoption of the regulation by the end of 2014.

One of the central objectives of the reform of the current CFP is the progressive elimination of discards in all EU fisheries through the introduction of a landing obligation (Article 15 of regulation 1380/2013¹). This is designed to make better use of the available resources, and to meet public expectation that the practice of throwing marketable fish back into the sea will be ended. High levels of discards are identified as an important factor behind the lack of environmental sustainability of the CFP.

The European Parliament and the Council agreed on the gradual introduction of the landing obligation with 1 January 2015 as the starting date for implementation. In order to make the landing obligation operational certain provisions within the current regulations on technical measures, management measures and control that run contrary to the landing obligation and oblige fishermen to discard fish must be removed or amended. However, this new framework certainly cannot be in place in time for the first group of fisheries to be covered under the landing obligation. Legislation is therefore needed so as to remove any legal and practical impediments to implementation on a transitional basis while this new framework is being developed.

¹ <u>OJ L354, 28.12.2013, p. 22</u>

As regards technical measures, several provisions contained in the current regulations contradict the landing obligation and oblige fishermen to discard. This means that minimum landing sizes, catch composition rules and by-catch provisions have to be amended. The EU control system for ensuring compliance with the rules of the CFP also needs to be aligned with the landing obligation.

As the first group of fisheries will be subject to the landing obligation in 2015, the relevant provisions of the regulations on technical measures, management measures and control measures should be amended by this regulation in order to ensure the timely removal of legal obstacles to applying the landing obligation.

Implementation of the CFP: discard Plans

The Commission provided the Council with a document updating on the state of play of the preparation of discard plans by Member States. This concerns the preparation of related delegated acts, which are to be adopted before the end of 2014 (10217/14). During this meeting ministers expressed views on the current discard plans preparation so as to exchange experience on best practice and share information on key issues and concerns (10872/14).

Ministers from Member States currently chairing regional groups welcomed the preparation of discards plan agreed at sea basin levels (for instance: Baltic region, North Sea, Mediterranean, South Western Waters). In most of cases, these plans are to be forwarded to the Commission in the near future. They set out joint recommendations that the Commission convert into EU through the adoption of a delegated act before the end of the year. Many delegations recognised the added-value in the work carried out at regional level which addresses the specific issues relating to fish stocks and involves professional operators. However, some Member States highlighted the need to adopt common approaches on the various regional recommendations with a view to avoiding discrepancies.

The delegations also raised some key issues which had emerged during the preparation of the discard plans. These includes:

- the need to determine whether technical measures may be included in the regional discard plans;
- the need to clarify and harmonise the interpretation of the *de minimis* rule included in the Basic Regulation;
- solutions for handling damaged fish.

With the new CFP, there is a gradual introduction of a landing obligation for all fisheries (see previous point). On 1 January 2015 the following fisheries (in EU waters) will be subject to the landing obligation: small pelagic fisheries, large pelagic fisheries, industrial fisheries, fisheries for salmon and fisheries in the Baltic Sea.

The new CFP contains a number of provisions designed to facilitate the implementation of the landing obligation. These includes general flexibility provisions which can be applied by Member States in the context of the annual management of their national quotas. In addition, the new CFP provides for specific flexibility tools used in multiannual plans, or in the absence of multiannual plans, in so-called discard plans (the validity of the plans is limited to 3 years). These flexibility tools are:

- exemptions for species that have high survival rates when returned to the sea;
- *de minimis* exemptions, under certain conditions, of up to 5 % of total annual catches (with a possibility of a higher percentage in the first four years).

Any other business

– Indication of the origin of meat

The Commission informed the Council about the European Parliament's resolution of 6 February 2014 concerning Commission implementing regulation $1337/2013^1$ laying down rules for the application of regulation $1169/2011^2$ as regards the indication of the country of origin or place of provenance for fresh chilled and frozen meat from pigs, sheep, goats and poultry (10857/14).) Furthermore it explained why its implementing Regulation represented the best possible outcome.

A number of member States supported the Commission. They disagreed with the European Parliament resolution and stated that it would be extremely difficult and very expensive to apply rules to swine, sheep, goat and poultry meat that were comparable with those rules applicable to beef meat.

¹ Commission implementing Regulation (EU) No 1337/2013 of 13 December 2013 laying down the rules for the application of Regulation (EU) No 1169/2011 of the European Parliament and of the Council as regards the indication of the country of origin or place of provenance for fresh, chilled and frozen meat of swine, sheep, goats and poultry.

² OJ L304, 22.11.2011, p.18

When regulation 1169/2011 on food labelling was discussed in 2010, it was agreed that a mandatory indication of the origin or place of provenance for unprocessed meat of swine, sheep, goats and poultry would require further impact assessments. Following such assessment, the Commission would need to consider further the options as regards the indication of origin of those foods, in particular with respect to the place of birth, rearing and slaughter of the animals. In this respect, regulation 1169/2011 gave the Commission a mandate to adopt the necessary rules through implementing acts. On this basis, the Commission adopted implementing regulation 1337/2013 providing for the compulsory indication by the Member State or third country as the rearing and slaughter » of animals.

In a resolution adopted on 6 February 2014, the European Parliament, stated that the Commission had exceeded the implementing powers conferred under Regulation 1169/2011 and called on the Commission to draw up a new regulation. This regulation should applying to the foods in question exactly the same rules as those as those that are applicable to beef meat: indication of place of birth, rearing and slaughter and excluding any derogation for minced meat and trimmings.

- Consequences of storms on forests

At the request of the Slovak delegation, the Council took stock of the difficult situation that the forest sector is facing due to the storms which affected this country in mid-May this year (10765/14).

On 14 and 15 May 2014, high rainfall and strong winds occurred over the whole territory of the Slovak Republic. Soil and tree crowns saturated with rain water along with high wind speeds caused wide-scale damage to trees and destruction of forest across large areas of the country.

The Commission acknowledged that Slovakia could apply for financial assistance from the EU solidarity fund, and pointed out that other options were available. These included specific measures in rural development programmes and grants under the form of states aids for forests protection.

- Conference on scientific support to agriculture

The Presidency presented to the ministers the main outcomes of a high-level conference "Scientific support to agriculture: competitiveness, quality and sustainability" which took place in Athens on 23 April 2014 (10874/14).

In the future, agricultural productivity needs to be increased in order to ensure food security for a growing population. Biomass production also needs to be raised in order to produce energy and industrial products. Both challenges need to be met given the uncertainty and impact caused by climate change and the general acceptance that expansion of agriculture must be achieved through an approach that takes into account protection of the environment and natural resources.

The conference was organised jointly by the Hellenic Presidency and the European Commission's Joint Research Centre (JRC). The aim was to stimulate debate and improve the science-based understanding of these challenges.

– Emission ceilings for certain atmospheric pollutants

The Hungarian delegation supported by Belgium, Estonia, Croatia, the Slovak Republic and Latvia, asked the Commission to report regularly to the Agriculture Council on the "Clean Air Policy Package" and on the national emission ceilings for certain atmospheric pollutants ("NEC Directive") (*10633/14*). A first report on this issue was presented at the Agriculture Council held on December 2013.

Many delegations, in addition to those which originally supported the Hungarian request, agreed that in view of the possible impact of this proposal on agriculture, the Agriculture Council should be regularly kept informed on this file, which is dealt with by the Environment Council.

The Commission presented the "Clean Air Policy Package" in December 2013. According to the proposal, new national emission reduction obligations would be set from 2020 and 2030 for sulphur dioxide, nitrogen oxides, non-methane volatile organic compounds, ammonia fine particulate matter (PM2.5) and methane. The emission reduction obligations set out in the above proposal are particularly relevant for the farming sector. This applies, especially in respect of reduction of ammonia and methane, since emission ceilings would substantially affect EU agriculture as a whole.

- Animal health, plant health, seeds market and controls

The Presidency presented to the Council its progress report on the proposals in the animal health, plant health and control package (10629/14) and placed a special focus on the proposal on plant reproductive material (10618/14).

As regard the plant health proposal, there were a particular divergence of views between delegations on the approach to the import of potentially infected plants. Several delegations supported the Commission proposal which promotes an "open" system and a negative list (i.e. all plants/plant products not mentioned in the list can be freely imported). However, a number of Member States would like to reverse the strategy and favour a "closed" system and a positive list (only plants/plant products mentioned in the list can be freely imported).

The proposal on the EU plant reproductive material regime was rejected at first reading by the European Parliament on 11 March 2014. In the light of this, the Presidency gathered the views of Member States on a possible revised Commission proposal outlining a new architecture for the regulation. Many delegations supported the Presidency orientation. In addition some Member States stated that this regulation should relax the rules or make some exemptions for forestry reproductive material or non-professional operators in order to simplify the procedure.

This package of measures aims to strengthen the enforcement of health and safety standards for the whole agri-food chain. The package comprises proposals for regulations:

- to review the regulatory framework on **plant health**;
- to ensure the health, identity and quality of **plant reproductive material**;
- to simplify the body of legislation that regulates **animal health**;
- to review and clarify the rules on **official controls** along the food chain;
- to manage expenditures through a common financial framework for food and feed that modernises the existing financial provisions.

The Council has already adopted (8 May 2014) one of the regulations of this package laying down provisions for the management of expenditure of the measures proposed following a first-reading agreement with the European Parliament (PE-CONS 24/14).

Work on this package in the Council began in June last year.

- Use of antimicrobials in animal farming

The Swedish and the Danish delegations asked the Commission to report on the state of implementation of the various actions listed in its action plan to fight the spread of antibiotic resistance (10828/14).

Several delegations supported the request and explained the steps already taken on their territory. The Commission pointed out that a progress report establishing how the action plan was being implemented would be presented by the end of this year. Furthermore, proposals for a review of the legislation on veterinary medicines and medicated feed should be presented soon by the Commission. In addition, guidelines on the use of veterinary antimicrobials are also scheduled.

The use of antimicrobials essential for the treatment of infections in humans and animals is seriously threatened by the development and spread of bacteria strains resistant to the most common antibiotics.

The problem has been recognised by both the Council and the European Parliament, and the Commission has taken several important steps, both in human medicine and in animal husbandry. For example, it has reinforced control legislation, made recommendations on antibiotic use and reporting, and invested in research on new drugs. Although the measures taken so far go in the right direction, they have not succeeded in containing the growing threat of antibiotic resistance. The Commission therefore launched in autumn 2011 a five year action plan setting out 12 specific measures to stem the emergence and spread of antibiotic resistance.

- Management of capelin - state of play

The Danish delegation briefed the Council on the need for a swift establishment of a total allowable catch (TAC) for capelin for 2014.

This issue is of particular importance for Denmark, which is the main stakeholder in the capelin fisheries. Owing to the short-life span of this species, the fishing season for capelin begins normally on 20 June. The scientific advice for this stock generally is generally made available just before the beginning of the fishing season but the management of this particular fish stock is shared between the EU, Greenland and Iceland. This year the scientific advice for 2014 was published on 7 May. The capelin offer to the EU by the Greenland authorities was submitted recently. This will allow the preparation and adoption of a specific decision on this issue.

OTHER ITEMS APPROVED

AGRICULTURE

Trade in organic products - Negotiations on agreements between the EU and third countries

The Council adopted a decision authorising the opening of negotiations on agreements between the EU and third countries on trade in organic products. In the future, this should better balance these negotiations which are currently established on a system of unilateral equivalency. The current system leads to a recognition by the EU of third countries standards for organic products as equivalent to its own without any reciprocity for EU organic products exported to these countries.

The ongoing review of the legal framework in the organic production sector has revealed shortcomings in the current recognition scheme for third countries for the purpose of equivalence.

In its conclusions on organic farming at the 3237th Agriculture and Fisheries Council meeting, the Council encouraged the Commission to improve the current mechanisms designed to facilitate international trade in organic products and require reciprocity and transparency in any trade agreements. The Commission and the Member States were called on to ensure that the import procedure is robust and does not put EU operators at a disadvantage.

The Commission has put in place regulation 442/2014 on a provisional basis until 1 July 2014 as regards requests for inclusion in the list of third countries recognised for the purpose of equivalence in relation to the import of organic products. The decision adopted today will ensure continuity and enable the Commission to negotiate agreements between the EU and third countries after this date.

FOREIGN AFFAIRS

Association Agreements with Georgia and the Republic of Moldova

The Council approved the signing and conclusion of the Association Agreements between the EU and Georgia as well as between the EU and the Republic of Moldova. It also approved the provisional application of both Association Agreements. For more information, see <u>press release</u>.

EU financial support to the Palestinian Authority

The Council adopted the following conclusions on the European Court of Auditors' report on EU direct financial support to the Palestinian Authority:

- "1. The Council welcomes the Court of Auditors report No.14/2013 (published on 11 December 2013) on EU Direct Financial Support to the Palestinian Authority (PA) through the PEGASE mechanism, which it has examined in detail.
- 2. The Council welcomes, in particular, the Court's Conclusion that the Commission and the EEAS services have succeeded in implementing direct financial support in spite of difficult circumstances, that the financial procedures put in place are robust and that there is no evidence of corruption, mismanagement or diversion of funds.
- 3. The Council agreed that, in line with the EU's objectives in the Middle East Peace Process, PEGASE has fulfilled the aim of making a tangible contribution to the preparation of a two-state solution. The Council also notes the Court's conclusion that some aspects of the PEGASE mechanism need to be reviewed to ensure its sustainability. Specific risk assessments, other than eligibility criteria, could also be considered.
- 4. In considering the Court's observations, the Council stressed the importance of recognising the complex and difficult political circumstances of the EU's co-operation with the PA. These include the Israeli occupation, the fact that the PA does not yet have the powers of a state government and the fact that part of the occupied Palestinian territory, the Gaza Strip, is run by authorities with which the EU has no political relations.
- 5. The Council takes note of the recommendations of the Court. The Council acknowledges that the majority of the Court's recommendations are already being implemented. The Council notes that both the EEAS and the Commission services already review the PEGASE mechanism on a regular basis, taking account of changes on the ground. The Council also notes that the Commission has already taken the steps needed to reduce the costs of administering PEGASE, including the use of competitive tendering. The Council also welcomes the recommendations that the PEGASE mechanism be linked more closely to the EU-PA European Neighbourhood Policy Action Plan adopted in 2013.

- 6. On the issue of civil servants in Gaza who are not able to work because of the political situation, the Council stressed the political importance of continuing to support the PA's decision to pay its workers in the Gaza Strip as a key element of maintaining the PA's presence in Gaza and the unity of a future State of Palestine. The Council noted that the EEAS and the Commission services have agreed to enter into discussions with the PA so as to find a solution that would take into account the concerns of the Court, while allowing the PA to continue supporting its employees in Gaza. The Council stressed that reforms need to be made where possible. It acknowledged that it is important to assess carefully the political implications of any changes made to the current practice.
- 7. On conditionality, the Council notes that it is important that performance indicators are introduced in the areas suggested by the Court, bearing in mind that many of the elements required to fulfil these indicators lie partly or wholly outside the control of the Palestinian Authority. In this regard, the Council concurs with the view of the EEAS and the Commission services, namely that the unique and difficult circumstances in which the programme is implemented must be taken into account. The Council also notes that, in line with one of the Court's recommendations, the Commission has already started providing comprehensive support to the PA for its civil service reform. In this regard, the Council calls on the PA to accelerate reforms in its civil service, to proceed with reforms in public finance management and to pursue further dialogue with the EU and other donors in the working groups involved in this sector.
- 8. The Council also acknowledges that the Commission and the EEAS services have actively sought to ensure Israeli co-operation in the implementation of EU direct financial support to the PA and calls on the Israeli authorities to take steps that would render the EU's financial assistance more effective.

Action against anti-personnel mines

The Council adopted the following conclusions on the third review conference of the Convention on the prohibition of the use, stockpiling, production and transfer of anti-personnel mines and on their destruction ("Ottawa Convention"):

"1. The Council states that the EU is united in pursuing the objectives of the Anti-Personnel Mine Ban Convention, with all 28 EU Member States now States Parties to the Convention, and that the EU and its Member States have a long history of support for mine clearance and the destruction of stockpiled anti-personnel mines, as well as for assistance to victims of anti-personnel mines.

- 2. The Council welcomes the upcoming Third Review Conference of the Anti-Personnel Mine Ban Convention which will take place from 23 - 27 June 2014 in Maputo, Mozambique. The Council hopes that this conference will be a success and will reaffirm its shared commitment to end the suffering caused by the use of anti-personnel mines across the world.
- 3. The Council states that States Parties to the Convention have undertaken never, under any circumstances, to use anti-personnel mines. In that context, the EU appeals to all State and non-State actors to refrain from the use of anti-personnel mines.
- 4. The Council considers that the Third Review Conference presents an opportunity to agree on specific plans as well as on a realistic set of measures to ensure further progress in the next phase of the implementation of the Convention's provisions and objectives. This should take into account the Convention's accomplishments as well as new challenges.
- 5. The Council reiterates the European Union's unwavering support to States Parties in their full and effective implementation of the Convention, and its commitment to promote universalisation of the Convention, to provide resources to fund mine action, as well as specific and sustainable assistance to anti-personnel mine victims, their families and communities. In this context, it refers to Council Decision 2012/700/CFSP adopted on 13th November 2012 in support of the implementation of the Cartagena Action Plan.
- 6. The EU and its Member States have contributed more than 500 Million Euro since the last Review Conference in Cartagena, Columbia. This accounts for more than one third of the world's financial assistance to mine action, and thus makes the EU and its Member States the leading donor in this area. EU support has been decisive in reversing difficult situations in several countries. The Council points out that in Afghanistan, for example, 89 million Euro have been spent by EU institutions over the last ten years. This was in addition to the funds provided by individual Member States and other members of the international community. The funds contributed to the clearing of 78% of Afghanistan's minefields and to building the capacity of the government of Afghanistan in dealing with the devastating effects of anti-personnel mines.
- 7. The Council emphasises the strong links with the Convention on the Rights of Persons with Disabilities, which provides a wider framework in comprehensively addressing the needs of survivors of anti-personnel mine explosions, securing their political, social and economic rights and ensuring respect for their inherent dignity.

- 8. The Council encourages all States Parties to continue to work in a spirit of cooperation during the Third Review Conference, and to keep in mind the Convention's vision of a ending conclusively the suffering and casualties caused by anti-personnel mines. The implementation of the Maputo Action Plan, to be adopted at the Third Review Conference, will depend on the efficiency of the Convention's working structures as well as on transparency, reporting and commitment by States Parties. The EU and its Member States will aim at making these structures function well. Their performance will depend on the willingness and efficiency of their members. In the interests of efficiency, the costs of the various meetings related to the implementation of the Convention needs to be optimised and their schedule rationalised.
- 9. The Council reaffirms the commitment of the EU to continue its support to States Parties in their implementation of the Convention. The aim is that all Parties can work effectively in order to achieve the Convention's objectives. This should be done in a way that strengthens the Convention's historic culture of partnership and collaboration between States Parties, the United Nations, other relevant international organisations or institutions, regional organisations, the International Committee of the Red Cross, and relevant non-governmental organisations. The European Union will continue to support efforts towards full universalisation of the Convention, while also promoting adherence to individual norms of the Convention by non-States Parties. The European Union will continue to cooperate with and, where possible, extend assistance to those States Parties that most need support in meeting their commitments under the Convention, and to non-States Parties that significantly support mine action. This will be carried out in coordination with other donors, and in close cooperation with the countries concerned."

ECONOMIC AND FINANCIAL AFFAIRS

External auditor of the Bank of Malta

The Council adopted a decision approving the appointment of PricewaterhouseCoopers as external auditor of the Central Bank of Malta for the financial years 2014 to 2018.

JUSTICE AND HOME AFFAIRS

Europol - Montenegro

The Council approved the draft agreement on Operational and Strategic Cooperation between Montenegro and the European Police Office (9090/14) with a view to allowing Europol to conclude this agreement.

FOOD LAW

EFSA management board members

The Council adopted a decision appointing the seven following persons as members of the management board of the European Food Safety Authority (EFSA) for the period from 1 July 2014 to 30 June 2018 (<u>9323/14</u>):

Ms Stella CANNA MICHAELIDOU

Mr Iňaki EGUILEOR

Mr Jan MOUSING

Mr Raymond O'ROURKE

Mr András SZÉKÁCS

Mr Robert Van GORCOM

Mr Pieter VANTHEMSCHE.

Mr O'Rourke has a background in organisations representing consumers, while Mr Mousing and Mr Vanthemsche have a background in organisations representing other interests in the food chain. All three are already members of the EFSA management board.

Regulation 178/2002 establishing the EFSA provides that its management board is composed of 14 members, four of whom must have a background in organisations representing consumers and other interests in the food chain. The term of office of seven members expires on 30 June. Three of these have a background in organisations representing consumers and other interests in the food chain.

TRANSPORT

SESAR joint undertaking

The Council adopted a regulation which extends the duration of the SESAR joint undertaking until 31 December 2024 (9391/14; statement: 9452/14). The SESAR joint undertaking is a public-private partnership which manages the development of the Single European Sky Air Traffic Management Research (SESAR) project, which aims to modernise air traffic management in Europe.

For details see press release <u>11009/14</u>.

Shift2Rail joint undertaking

The Council adopted a regulation setting up a public-private partnership called Shift2Rail joint undertaking (9018/14 + 9018/14 COR1; statement 10357/14 ADD 1). The new entity will manage a research and innovation work programme to support the development of better rail services in Europe.

For details, see press release 10991/14.

NUCLEAR ENERGY

Association Agreement with Georgia

The Council approved the conclusion by the European Commission, on behalf of the European Atomic Energy Community, of the Association Agreement between the European Union, the European Atomic Energy Community and their Member States on the one hand and Georgia on the other (8440/14).

As the EU-Georgia Association Agreement also covers matters falling under the competence of the European Atomic Energy Community, the Agreement should be concluded, on behalf of the European Atomic Energy Community, in respect of matters falling under the Euratom Treaty.

Association Agreement with Moldova

The Council approved the conclusion by the European Commission, on behalf of the European Atomic Energy Community, of the Association Agreement between the European Union, the European Atomic Energy Community and their Member States of the one hand, and Moldova on the other (8442/14).

As the EU-Moldova Association Agreement also covers matters falling under the competence of the European Atomic Energy Community competence, the Agreement should be concluded on behalf of the European Atomic Energy Community in respect of matters falling under the Euratom Treaty.