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President **Jari Leppä**
Minister for Agriculture and Forestry of Finland

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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

FISHERIES

Atlantic and North Sea fishing opportunities for 2020

The Council reached a political agreement on a regulation concerning the 2020 catch limits for the main commercial fish stocks in the Atlantic, the North Sea and international fisheries in which EU vessels participate.

[2020 fishing opportunities in the Atlantic, North and Mediterranean Seas: Council secures agreement \(press release, 18 December 2019\)](#)

The setting of total allowable catches (TACs) and quotas is an annual management exercise decided upon by the Council in accordance with article 43(3) of the TFEU. It takes place in parallel with the adoption of fishing opportunities in the Black Sea, and is preceded by a similar TAC-setting exercise on deep-sea fish stocks in November (every second year), and on Baltic Sea stocks in October.

Baltic cod and Western herring fisheries

The Council defined its position (general approach) on a regulation which amends two existing pieces of legislation: the Baltic multi-annual plan and the current European Maritime Fisheries Fund (EMFF). The new rules agreed by the Council will in particular allow for permanent cessation to be used to scrap vessels targeting Baltic cod and Western Baltic herring.

[Baltic cod and Western herring fisheries: Council agrees negotiating position \(press release\)](#)

AGRICULTURE

Post-2020 common agricultural policy (CAP) reform package: state of play

In public session, the Council discussed a presidency progress report ([14983/19](#)) on the work carried out in the Council on all the Commission proposals of the CAP reform package, which includes regulations on CAP strategic plans, the financing, management and monitoring of the CAP, and the common organisation of agricultural products.

During Finland's presidency, work focused in particular on the new delivery model, environmental and climate-related aspects, and on other elements such as: definitions ("genuine farmer", "permanent grassland", "eligible hectare", etc.), types of interventions (direct payments, rural development and sectorial interventions), administrative elements and financial issues.

Ministers broadly welcomed the report, considering it as a good basis for continuing work under the incoming Croatian Presidency. They indicated that the "new delivery model" and the "green architecture" were the main elements requiring further debate - the latter also in light of the recently published "European Green Deal" Communication. Amongst further issues, interventions in certain sectors and coupled support were also mentioned as elements which would have to be further discussed. Ministers stressed the importance for the agricultural budget to be in line with the proposed enhanced environmental and climate ambition.

The Commission proposals

The reform package consists of three proposals for:

- a regulation on CAP strategic plans ([9645/18](#) + [ADD 1](#))
- a regulation on financing, managing and monitoring of the CAP ([9634/18](#) + [ADD 1](#))
- a regulation on a common market organisation of agricultural products ([9556/18](#))

and an impact assessment ([9646/18](#) + [ADD 1](#) + [ADD 2](#)).

The proposed CAP reform introduces a new delivery model that would allow member states more flexibility in the way they use EU funds and would allow them to tailor-make their programmes. Based on nine EU-wide economic, environmental and social objectives, each member state would have to draw up a strategic plan setting out how it intends to meet those objectives while taking account of its needs, using direct payments, rural development and market measures. The Commission would approve each plan to ensure consistency and the protection of the single market, and monitor progress towards objectives and targets using a set of result indicators agreed at EU level.

The Commission proposals also outline new obligations and incentives for farmers in the field of environment and climate action. Direct payments would be conditional on meeting enhanced environmental and climate requirements and member states would have to offer eco-schemes to support farmers in going beyond the mandatory requirements, funded with a share of their national direct payments' allocations.

Moreover, the new CAP would better target small and young farmers, thereby facilitating generational renewal, and would try to foster greater use of knowledge and innovation.

Any other business– ***Budget flexibility within the European Maritime and Fisheries Fund 2014-2020***

The Czech delegation drew the Council's attention to its request to focus on the effective use of the financial resources remaining in the current European Maritime and Fisheries Fund (EMFF).

In particular it called on the Commission to consider an appropriate amendment of current legislation as soon as possible in order to allow allocation flexibility between Union priorities under the EMFF.

– ***Conclusions on the updated EU bioeconomy strategy***

The presidency informed the Council about the Council conclusions on the updated EU bioeconomy strategy "A sustainable Bioeconomy for Europe: strengthening the connection between economy, society and the environment", which were adopted by the Competitiveness Council on 29 November 2019 ([14907/19](#) and [14594/19](#)).

The bioeconomy comprises those parts of the economy that use renewable biological resources from land and sea to produce value-added products such as food, feed, materials and energy. In 2012 the Commission published its bioeconomy strategy and in 2017 it started a review which led to the publication of an updated strategy on 11 October 2018.

The updated strategy encompasses different sectors and policies, ranging from agriculture to climate, from research to fisheries, and others, and aims to strengthen the connections between the economy, society and the environment, thus maximising the contribution of a sustainable bioeconomy to the Commission priorities and to many of its policy objectives.

– ***Minor uses of pesticides***

The presidency drew the Council's attention to the issue of the long-term funding of the EU Minor Uses Coordination Facility (EUMUCF — [14703/19](#)).

Many delegations took the floor to stress the usefulness of the EUMUCF in preserving the high value of niche crops like fruit and vegetables in a sustainable European agriculture. Many delegations indicated their willingness to ensure long-term support to it so that it can continue its work beyond 2020.

The EUMUCF was set up in 2015 jointly by the European Commission, France, Netherlands and Germany with the aim of addressing the problem of minor uses of pesticides. These are uses on niche crops with a high economic value for farmers or exceptional limited uses on a major crop, but usually of low economic interest for the agro-pesticide industry.

Since 15 April 2018 the EUMUCF fully depends on voluntary financial contributions from EU member states. At the Minor Uses Annual General Meeting in 2019 it was decided to explore the possibility of discussing the issue of the long-term funding of the EUMUCF at Council level.

– ***Impact of US tariffs on European agrifood products***

The Spanish and French delegations informed the Council of the impact of the US tariffs imposed on European agrifood products as a countervailing measure in the framework of the dispute over the Airbus case within the WTO ([15031/19](#)).

These tariffs were decided on last October, and a new document published by the US government on 6 December proposes a possible revision of the list and the amounts of the tariffs already imposed.

The Spanish and French delegations, supported by a number of delegations, urged the European Commission to act firmly in the search for negotiated solutions, and to step up action to promote stable and rule-based international trade. Furthermore they also asked for: private storage aid for the olive oil sector, and additional flexibility and resources for wine promotion programmes, as well as the activation of all instruments of the single common market organisation (CMO) for all the sectors that are affected. They also questioned whether current CAP tools or future ones were sufficient in order to respond effectively to the new challenges of global markets and their uncertainties.

– ***Information for consumers about the origin of food products***

On behalf of the French, Greek, Italian, Portuguese and Spanish delegations, the French delegation informed the Council about their views on the issue of informing consumers about the origin of food products and ingredients.

In this context, the above-mentioned delegations considered that European Union legislation related to origin labelling of agricultural and food products should evolve to better meet consumer expectations. They asked the Commission for proposals aimed at strengthening EU legislation on the labelling of the origin of food products and of food ingredients, namely in the context of the upcoming Commission's "Farm to Fork" strategy.

In the ensuing debate, delegations expressed divergent views on whether or not and to which extent there should be a harmonised EU approach to mandatory labelling, at least for some sectors.

The Commission acknowledged consumers' calls for increased transparency on food origin.

OTHER ITEMS APPROVED

AGRICULTURE

Conclusions on stepping up EU action to protect and restore the world's forests

The Council adopted conclusions which provide political guidance on protecting and restoring the world's forests. Member states welcomed the Commission's communication on stepping up EU action in this area ([15151/19](#)).

For more information, see [press release](#)

Conclusions on animal welfare

The Council adopted a set of conclusions on animal welfare, in which it invites the Commission to develop a new EU strategy for the protection and welfare of animals based on the lessons learned from the strategy for 2012-2015. The Council also encourages the Commission and the member states to initiate communication and education activities for the public on the essential role of good animal welfare in promoting animal health, food security and a sustainable agro-food sector ([14795/19](#)).

For more information, see [press release](#)

Conclusions on food fraud

The Council adopted conclusions on further steps to improve ways of tackling and deterring fraudulent practices in the agro-food chain ([15154/19](#)).

In its conclusions the Council highlights that a high level of protection is an overall objective of EU policies concerning health, safety, environmental protection and consumer protection, and recognises that the current EU legal framework on tackling food fraud is adequate.

For more information, see [press release](#)

FISHERIES

Council regulation fixing for 2020 the fishing opportunities in the Mediterranean and Black Seas

The Council adopted a regulation setting the 2020 catch limits for certain fish stocks in the Mediterranean and Black Seas ([14709/19](#)).

For more information, see [press release](#)

ECONOMIC AND FINANCIAL AFFAIRS

VAT and excise duty rules for EU defence

The Council adopted a directive amending the general arrangements for VAT and excise duty as regards defence efforts within the EU framework.

The directive will align, as far as possible, the VAT and excise duty treatment of defence efforts in the EU, as part of its common security and defence policy, to the existing indirect taxation framework applying to NATO activities. The measures will become applicable as of 1 July 2022 ([14126/19](#)).

VAT rules

The Council adopted an implementing decision authorising a VAT derogation for the construction of an electricity interconnection between Spain and France.

The national electricity market regulators of Spain and France signed an agreement in 2017 to finance an electricity interconnection between the two countries across the Bay of Biscay. That agreement provides for the costs of the project to be borne in equal shares by Spain and France. The special measure will simplify the procedure for collecting VAT in the context of the construction of the electricity interconnection ([14089/19](#), [14806/19](#)).

INTERNAL MARKET AND INDUSTRY**Thresholds for public supply, service and works contracts, and design contests**

The Council decided not to object to a Commission regulation amending directive 2014/24/EU in respect of the thresholds for public supply, service and works contracts and design contests.

The regulation revises the value of the thresholds for public supply, service and works contracts and design contests set out in article 13 of directive 2014/24/EU on public procurement. The revision is a purely technical exercise carried out every two years in accordance with the terms of the World Trade Organisation Agreement on Government Procurement (GPA). The aim is to correct for any currency movements between the signatories which would affect the extent of their procurement markets which are open to competition from companies in other signatory countries.

The regulation is a delegated act pursuant to article 290 of the Treaty on the Functioning of the EU. It can now enter into force, unless the European Parliament objects ([13689/19](#)).

Directive 2009/81/EC — thresholds for supply, service and works contracts

The Council decided not to object to a Commission regulation amending directive 2009/81/EC in respect of the thresholds for supply, service and works contracts.

The regulation revises the value of the thresholds for supply, service and works contracts set out in article 8 of directive 2009/81/EC on the coordination of procedures for the award of certain works contracts, supply contracts and service contracts by contracting authorities or entities in the fields of defence and security. The revision is a purely technical exercise carried out every two years in accordance with the terms of the GPA. The aim is to correct for any currency movements between the signatories which would affect the extent of their procurement markets which are open to competition from companies in other signatory countries.

The regulation is a delegated act pursuant to article 290 of the Treaty on the Functioning of the EU. It can now enter into force, unless the European Parliament objects ([13692/19](#)).

Threshold for concessions

The Council decided not to object to a Commission regulation amending directive 2014/23/EU in respect of the threshold for concessions.

The regulation revises the value of the threshold for concession contracts set out in article 8(1) of directive 2014/23/EU on the award of concession contracts. The revision is a purely technical exercise carried out every two years in accordance with the terms of the GPA. The aim is to correct for any currency movements between the signatories which would affect the extent of their procurement markets which are open to competition from companies in other signatory countries.

The regulation is a delegated act pursuant to article 290 of the Treaty on the Functioning of the EU. It can now enter into force, unless the European Parliament objects ([13696/19](#)).

Thresholds for supply, service and works contracts, and design contests

The Council decided not to object to a Commission regulation amending directive 2014/25/EU in respect of the thresholds for supply, service and works contracts, and design contests.

The regulation revises the value of the thresholds for supply, service and works contracts and design contests set out in article 15 of directive 2014/25/EU on procurement by entities operating in the water, energy, transport and postal services sectors. The revision is a purely technical exercise carried out every two years in accordance with the terms of the GPA. The aim is to correct for any currency movements between the signatories which would affect the extent of their procurement markets which are open to competition from companies in other signatory countries.

The regulation is a delegated act pursuant to article 290 of the Treaty on the Functioning of the EU. It can now enter into force, unless the European Parliament objects ([13697/19](#)).

ENERGY**Regulation on tyre labelling - political agreement**

The Council confirmed the political agreement on the proposal for a regulation on the labelling of tyres with respect to fuel efficiency and other parameters ([14640/19](#)).

A provisional agreement with the European Parliament on this file was reached on 13 November 2019. The Permanent Representatives Committee (Part 1) carried out its analysis of the provisional compromise text with a view to agreement on 22 November 2019 (see the [press release](#)). On 4 December 2019, the chair of the European Parliament's Committee on Industry, Research and Energy (ITRE) addressed a letter to the President of the Permanent Representatives Committee (Part 1) stating that, if the Council adopts its position at first reading in accordance with the text attached to this letter, he would recommend to the Plenary that the Council's position be accepted without amendment, subject to legal-linguistic verification, at Parliament's second reading. The compromise text submitted by the European Parliament is identical to the compromise text analysed by the Permanent Representatives Committee (Part 1) on 22 November 2019.

The confirmation of the political agreement will be followed by a formal adoption of the Council's position at first reading once the legal-linguistic revision has been completed.