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Agriculture and Fisheries

Brussels, 20-21 November 2006

President

Juha KORKEAOJA
Minister for Agriculture and Forestry of Finland

P R E S S

Main Results of the Council

The Council reached political agreement on three important fisheries draft regulations:

- *TACs for **deep-sea species** for 2007 and 2008,*
- *management measures for fishing in the **Mediterranean Sea**, and*
- ***electronic recording and reporting** of fishing activities.*

*The Council held a policy debate on the reform of the **EU banana sector** and on the **energy crops** scheme.*

*Without debate, the Council adopted a common position concerning **restrictive measures** against the Democratic People's Republic of Korea in response to the nuclear test proclaimed by the **North Korea** on 9 October.*

CONTENTS¹

PARTICIPANTS..... 5

ITEMS DEBATED

2007-2008 TACS FOR DEEP-SEA SPECIES 7

FISHERIES IN THE MEDITERRANEAN SEA* 16

RECORDING AND REPORTING OF FISHING ACTIVITIES* 18

SIMPLIFICATION OF THE COMMON FISHERIES POLICY 20

BIODIVERSITY 21

BANANA SECTOR REFORM 23

ENERGY CROPS SCHEME 25

OTHER BUSINESS 27

– EU/Norway fisheries: Annual consultations for 2007 27

– Genetically modified food and feed..... 27

– Avian Influenza (H5N1)..... 27

– Sugar restructuring scheme 27

– Plant protection..... 27

– Bluetongue..... 28

– Ban imposed by Russia on imports of animal and plant products from Poland..... 28

– Trade for cats and dogs fur..... 28

– Future work 28

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.
- The documents whose 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 abovementioned Council Internet site or may be obtained from the Press Office.

OTHER ITEMS APPROVED

FISHERIES

- Fishing opportunities and associated conditions for certain fish stocks.....29
- Tariff quotas*.....29

EXTERNAL RELATIONS

- North Korea - Restrictive measures.....29
- The Northern Dimension31

EUROPEAN SECURITY AND DEFENSE POLICY

- Palestinian Territories - EU police mission - 2007 budget.....31

ECONOMIC AND FINANCIAL AFFAIRS

- Protection of the euro against counterfeiting.....31

ENLARGEMENT

- Romania - Industrial products.....32
- Bulgaria and Romania - Adaptation of EU legislation32

ENVIRONMENT

- Conference on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal
(Nairobi, 27 November to 1 December 2006) - *Council conclusions*.....33

ATOMIC QUESTIONS

- Control of shipments of radioactive waste and spent fuel.....37

TRANSPARENCY

- Public access to documents.....38
- Content of the Official Journal series38

PARTICIPANTS

The Governments of the Member States and the European Commission were represented as follows:

Belgium:

Mr Yves LETERME

Minister-President of the Flemish Government and Flemish Minister for Institutional Reform, Agriculture, Sea Fisheries and Rural Policy

Ms Sabine LARUELLE

Minister for Small and Medium-Sized Businesses, the Liberal Professions and the Self-Employed and Agriculture

Czech Republic:

Ms Milena VICENOVÁ

Minister for Agriculture

Denmark:

Mr Hans Christian SCHMIDT

Minister for Food, Agriculture and Fisheries

Germany:

Mr Gerd LINDEMANN

State Secretary, Federal Ministry of Food, Agriculture and Consumer Protection

Estonia:

Mr Rain VÄNDRE

Deputy Minister for Agriculture

Greece:

Mr Evangelos BASIAKOS

Minister for Rural Development and Food

Spain:

Ms Elena ESPINOSA MANGANA

Minister for Agriculture, Fisheries and Food

France:

Mr Dominique BUSSEREAU

Minister for Agriculture and Fisheries

Ireland:

Ms Mary COUGHLAN

Minister for Agriculture and Food

Mr John BROWNE

Minister of State at the Department of Agriculture and Food (with special responsibility for Forestry)

Italy:

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Minister for Agricultural and Forestry Policy

Cyprus:

Mr Photis PHOTIOU

Minister for Agriculture, Natural Resources and Environment

Latvia:

Mr Laimdota STRAUJUMA

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Lithuania:

Ms Kazimira Danutė PRUNSKIENĖ

Minister for Agriculture

Luxembourg:

Mr Fernand BODEN

Minister for Agriculture, Viticulture and Rural Development, Minister for Small and Medium-sized Businesses, the Liberal Professions and the Self-Employed, Tourism and Housing

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Malta:

Mr George PULLICINO

Minister for Rural Affairs and the Environment

Netherlands:

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Minister for Agriculture, Nature and Food Quality

Austria:

Mr Josef PRÖLL

Federal Minister for Agriculture, Forestry, the
Environment and Water Management

Pologne:

Mr Andrzej LEPPER

Deputy Prime Minister, Minister for Agriculture and Rural
Development

Portugal:

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Minister for Agriculture, Rural Development and Fisheries

Slovenia:

Ms Marija LUKAČIČ

Minister for Agriculture, Forestry and Food

Slovakia:

Mr Miroslav JUREŇA

Minister for Agriculture

Finland:

Mr Juha KORKEAOJA

Minister for Agriculture and Forestry

Sweden:

Mr Eskil ERLANDSSON

Minister for Agriculture

United Kingdom:

Mr Ben BRADSHAW

Parliamentary Under-Secretary of State for Local
Environment, Marine and Animal Welfare

Mr Ross FINNIE

Minister for Environment and Rural Development
(Scottish Executive)

.....
Commission:

Mr Joe BORG

Member

Ms Mariann FISCHER BOEL

Member

Mr Markos KYPRIANOU

Member
.....

The Governments of the Acceding States were represented as follows:

Bulgaria:

Mr Roussi IVANOV

Deputy Permanent Representative

Romania:

Mr Nicolae Flaviu LAZIN

Secretary of State, Ministry of Agriculture, Forests and
Rural Development

ITEMS DEBATED

2007-2008 TACS FOR DEEP-SEA SPECIES

The Council reached, by unanimity, political agreement on the basis of a Presidency compromise, in agreement with the Commission, on a draft Regulation fixing TAC's and quotas for 2007 and 2008 for certain deep-sea fish stocks¹ such as sharks, black scabbardfish, tusk and forkbeards. The Council will adopt this Regulation at one of its forthcoming meetings after finalisation of the text.

The main features of the Presidency compromise endorsed by the Commission are:

- The biggest TACs reductions for 2007 and 2008 concern: deep-sea sharks, blue ling and orange roughy. A comparative table on TACs is annexed.
- A rollover of 2005-2006 TACs will apply for : black scabbardfish, alfonsinos, red seabream, forkbeards and roundnose grenadier in zones I, II, IV and Va.
- In general, the reductions in TACs levels agreed by the Council are smaller than initially proposed by the Commission, in particular for roundnose grenadier in zones VIII, IX, X, XII, XIV and V (Greenland waters).
- It was decided to deal with TACs for tusk in the annual Regulation fixing the fishing opportunities for 2007 to be adopted by the Council next December.

ICES provides scientific advice on deep sea stocks every two years. The latest advice was given in June 2006. It indicates that most exploited deepwater species are harvested unsustainably, and ICES has recommended immediate reductions in established deep-sea fisheries unless they can be shown to be sustainable. No deep-sea fisheries currently meet this criterion.

In its initial proposal, the Commission proposed annual reductions of 33 % in 2007 and a further 33% in 2008 for stocks for which the scientific advice is to immediately close the fisheries.

¹ For 2005 and 2006 the fishing opportunities for deep sea species were established in Council Regulation (EC) No 2270/2004 of 22 December 2004.

2007 and 2008 TACs and quotas for certain deep-sea fish stocks: Council decision and initial Commission proposal.								
Zone/Species		EC TAC 2005- 2006 in tonnes	Council decision for EC TAC 2007 in tonnes	% difference from EC TAC 2005- 2006	Council decision for EC TAC 2008 in tonnes	% difference from EC TAC 2007	Commission proposal for EC TAC 2007 in tonnes	Commission proposal for EC TAC 2008 in tonnes
ZONE: Community waters and waters not under the sovereignty or jurisdiction of third countries of V, VI, VII, VIII and IX								
Deep Sea Sharks <u>2007, 2008:</u> <u>By-catches only. No directed</u> <u>fisheries for deep sea sharks</u> <u>are permitted.</u>	EC	6763	2472	-25%	1646	-25%	2207	1087
ZONE: X (Community waters and waters not under the sovereignty or jurisdiction of third countries)								
Deep Sea Sharks	EC	120	20	-16,67%	20	0%	20	20
ZONE: XII (Community waters and waters not under the sovereignty or jurisdiction of third countries)								
Deep Sea Sharks and <i>Deania histricosa</i> and <i>Deania profundorum</i>	EC	243	99	-40,74%	49	-50%	99	49

Zome/Species		EC TAC 2005- 2006 in tonnes	Council decision for EC TAC 2007 in tonnes	% difference from EC TAC 2005- 2006	Council decision for EC TAC 2008 in tonnes	% difference from EC TAC 2007	Commission proposal for EC TAC 2007 in tonnes	Commission proposal for EC TAC 2008 in tonnes
ZONE: Community waters and waters not under the sovereignty or jurisdiction of third countries of I, II, III and IV								
Black scabbardfish <i>Aphanopus carbo</i>	EC	30	15	-50%	15	0%	15	15
ZONE: Community waters and waters not under the sovereignty or jurisdiction of third countries of V, VI, VII and XII								
Black scabbardfish <i>Aphanopus carbo</i> <u>By-catches only. No directed fisheries for deep sea sharks are permitted.</u>	EC	3042	3042	0%	3042	0%	1994	982
ZONE: Community waters and waters not under the sovereignty or jurisdiction of third countries of VIII, IX and X								
Black scabbardfish <i>Aphanopus carbo</i>	EC	4000	4000	0%	4000	0%	2700	2700

Zome/Species		EC TAC 2005- 2006 in tonnes	Council decision for EC TAC 2007 in tonnes	% difference from EC TAC 2005- 2006	Council decision for EC TAC 2008 in tonnes	% difference from EC TAC 2007	Commission proposal for EC TAC 2007 in tonnes	Commission proposal for EC TAC 2008 in tonnes
ZONE: CECAF 34.1.2. (Community waters and waters not under the sovereignty or jurisdiction of third countries)								
Black scabbardfish <i>Aphanopus carbo</i>	EC	4285	4285	0%	4285	0%	3200	3200
ZONE: Comm. aters and waters not under the sov. or jur. of 3rd c. of I, II, III, IV, V, VI, VII, VIII, IX, X, XII and XIV								
Alfonsinos <i>Beryx spp.</i>	EC	328	328	0%	328	0%	300	300
ZONE: IV (Community waters and waters not under the sovereignty or jurisdiction of third countries)								
Tusk <i>Brosme brosme</i>	EC	317	150	-47,32%	150	-47,32%	150	150
ZONE: Community waters and waters not under the sovereignty or jurisdiction of third countries of V, VI, and VII								
Tusk <i>Brosme brosme</i>	EC	604	315	-52,15%	315	-52,15%	315	315

Zome/Species		EC TAC 2005- 2006 in tonnes	Council decision for EC TAC 2007 in tonnes	% difference from EC TAC 2005- 2006	Council decision for EC TAC 2008 in tonnes	% difference from EC TAC 2007	Commission proposal for EC TAC 2007 in tonnes	Commission proposal for EC TAC 2008 in tonnes
ZONE: Community waters and waters not under the sovereignty or jurisdiction of third countries of I, II, IV, Va								
Roundnose grenadier <i>Coryphaenoides rupestris</i>	EC	20	20	0%	20	0%	13	13
ZONE: III								
Roundnose grenadier <i>Coryphaenoides rupestris</i>	EC	1590	1060	-6,6%	1000	-0,057%	1000	1000
ZONE: Community waters and waters not under the sovereignty or jurisdiction of third countries of Vb, VI and VII								
Roundnose grenadier <i>Coryphaenoides rupestris</i>	EC	5253	4600	-12,5%	4600	0%	4600	4600
ZONE: Comm. waters and waters not under the sov. or jurisdiction of third coun. of VIII, IX, X, XII and V (Greenland waters)								
Roundnose grenadier <i>Coryphaenoides rupestris</i>	EC	7190	6114	-15%	6114	0%	3116	1467

Zome/Species		EC TAC 2005- 2006 in tonnes	Council decision for EC TAC 2007 in tonnes	% difference from EC TAC 2005- 2006	Council decision for EC TAC 2008 in tonnes	% difference from EC TAC 2007	Commission proposal for EC TAC 2007 in tonnes	Commission proposal for EC TAC 2008 in tonnes
ZONE: VI (Community waters and waters not under the sovereignty or jurisdiction of third countries)								
Orange roughy <i>Hoplostethus atlanticus</i>	EC	88	51	-42%	34	-33,4%	45	22
ZONE: VII (Community waters and waters not under the sovereignty or jurisdiction of third countries)								
Orange roughy <i>Hoplostethus atlanticus</i> <u>By-catches only. No directed fisheries for deep sea sharks are permitted.</u>	EC	1148	193	-83,2%	130	-32,7%	174	86
ZONE: Community waters and waters not under the sov. or juri. of third countries of I, II, III, IV, V, VIII, IX, X, XI, XII, XIV								
Orange roughy <i>Hoplostethus atlanticus</i>	EC	102	44	-57%	30	-40%	40	20

Zome/Species		EC TAC 2005- 2006 in tonnes	Council decision for EC TAC 2007 in tonnes	% difference from EC TAC 2005- 2006	Council decision for EC TAC 2008 in tonnes	% difference from EC TAC 2007	Commission proposal for EC TAC 2007 in tonnes	Commission proposal for EC TAC 2008 in tonnes
ZONE: Community waters and waters not under the sovereignty or jurisdiction of third countries of II, IV and V								
Blue ling <i>Molva dypterygia</i> By-catches only. No directed fisheries for deep sea sharks are permitted.	EC	119	95	-20%	78	-20%	18	9
ZONE: III (Community waters and waters not under the sovereignty or jurisdiction of third countries)								
Blue ling <i>Molva dypterygia</i>	EC	25	20	-20%	15	-25%	10	10
ZONE: Community waters and waters not under the sovereignty or jurisdiction of third countries of VI and VII								
Blue ling <i>Molva dypterygia</i>² By-catches only. No directed fisheries for deep sea sharks are permitted.	EC	3137	2510	-20%	2009	-20%	2054	1012

² Member States shall ensure that the fishery for Blue ling is scientifically monitored, in particular the activities of those fishing vessels that landed more than 30 tonnes of Blue ling in 2005. Such vessels shall give prior notification of landing and shall not land more than 25 tonnes of Blue ling at the end of any fishing trip.

Zome/Species		EC TAC 2005- 2006 in tonnes	Council decision for EC TAC 2007 in tonnes	% difference from EC TAC 2005- 2006	Council decision for EC TAC 2008 in tonnes	% difference from EC TAC 2007	Commission proposal for EC TAC 2007 in tonnes	Commission proposal for EC TAC 2008 in tonnes
ZONE: Community waters and waters not under the sovereignty or jurisdiction of third countries of VI, VII and VIII								
Red seabream <i>Pagellus bogaraveo</i>	EC	298	298	0%	298	0%	220	220
ZONE: IX (Community waters and waters not under the sovereignty or jurisdiction of third countries)								
Red seabream <i>Pagellus bogaraveo</i>	EC	1080	1080	0%	1080	100,00%	430	430
ZONE: X (Community waters and waters not under the sovereignty or jurisdiction of third countries)								
Red seabream <i>Pagellus bogaraveo</i> (1) Up to 10% of the 2008 quotas may be taken in Dec. 2007	EC (1)	1136	1136	0%	1136	0%	1136	1136
ZONE: Community waters and waters not under the sovereignty or jurisdiction of third countries of I, II, III and IV								
Forkbeards <i>Phycis blennoides</i>	EC	36	36	0%	36	0%	15	15

Zome/Species		EC TAC 2005- 2006 in tonnes	Council decision for EC TAC 2007 in tonnes	% difference from EC TAC 2005- 2006	Council decision for EC TAC 2008 in tonnes	% difference from EC TAC 2007	Commission proposal for EC TAC 2007 in tonnes	Commission proposal for EC TAC 2008 in tonnes
ZONE: Community waters and waters not under the sovereignty or jurisdiction of third countries of V, VI and VII								
Forkbeards <i>Phycis blennoides</i>	EC	2028	2028	0%	2028	100,00%	1545	1545
ZONE: Community waters and waters not under the sovereignty or jurisdiction of third countries of VIII and IX								
Forkbeards <i>Phycis blennoides</i>	EC	267	267	0%	267	0%	267	267
ZONE: Community waters and waters not under the sovereignty or jurisdiction of third countries of X and XII								
Forkbeards <i>Phycis blennoides</i>	EC	63	63	0%	63	0%	36	36

FISHERIES IN THE MEDITERRANEAN SEA*

The Council reached, by qualified majority, political agreement on a draft Regulation concerning management measures for the sustainable exploitation of fishery resources in the Mediterranean Sea, on the basis of a compromise drawn up by the Presidency in cooperation with the Commission. The Council will adopt this Regulation at one of its forthcoming meetings after finalisation of the text. The French delegation indicated its intention to abstain.

The objective of the proposal is to establish sustainable fisheries in the region by improving the exploitation of aquatic living resources, and protecting sensitive habitats whilst taking into account the specificity of the small-scale Mediterranean coastal fisheries. Discussions on this proposal in the Council have nearly lasted three years since its presentation by the Commission.

The main features of the Presidency compromise endorsed by the Commission are:

- The introduction of 40mm square mesh of bottom trawls and (under certain circumstances) diamond meshed net of 50 mm by at the latest 1 July 2008.
- The general rule remains the prohibition of the use of trawl nets within 1.5 nautical miles. However, trawling activities within the coastal bands (between 0.7 and 1.5 nautical miles) could be authorized under certain conditions (article 12.6 b)
- Pursue seines may be temporarily used until 31 December 2007 at a shorter distance from the coast than 300 metres or at a depth less than the 50 metres isobath but not less than 30 metres isobath.

The proposal, in particular:

- introduces new technical measures to improve the selectivity of the current 40 mm mesh size for towed nets;
- strengthens the current ban on the use of towed gears in coastal areas;
- limits the overall sizes of certain fishing gears that affect fishing effort;
- introduces a procedure for establishing temporary or permanent closures of areas to specific fishing methods, either in Community or international waters;

- provides for the adoption in the Mediterranean area of management plans combining the use of effort management with technical measures;
- delegates powers to Member States to regulate, in their territorial waters and under certain conditions, fishing activities that do not have any significant Community dimension or environmental impact, including certain local fisheries currently authorised under Community law.

RECORDING AND REPORTING OF FISHING ACTIVITIES*

The Council reached, by unanimity, a political agreement on a draft regulation on electronic recording and reporting of fishing activities and on means of remote sensing. The Council will adopt this regulation at one of its forthcoming meetings after finalisation of the text.

In 2004, the Commission adopted this proposal laying down minimal requirements for replacing the current manual recording and reporting process by an electronic system. The electronic reporting system (ERS) would allow fishing vessels to report daily relevant information relating to fishing activities. Remote sensing would provide with satellite photos of a specific part of the Ocean allowing the identification of fishing vessels if it is combined with the ERS.

The draft regulation as amended by the Council provides for:

- The obligation for for fishing vessels exceeding 24 meters length to electronically record and transmit data after 24 months following the entry into force of the implementing rules. For fishing vessels exceeding 15 meters length, the phasing-in period will be of 36 months following the entry into force of the implementing rules.
- As from 1 January 2009 and where there is clear evidence of a cost benefit in relation to the traditional control means in the detection of fishing vessels operating illegally, Member States will ensure that their Fisheries Monitoring Centres possess the technical capacity allowing them to match the positions derived by remotely sensed images sent to earth by satellites or other equivalent systems with the data received by the vessel monitoring system, in order to assess the presence of fishing vessels in a given area.
- On the financial implications of the implementation of the ERS and remote sensing, the Commission made an statement saying that capital and training costs linked to ERS and VDS/remote sensing are eligible for EC financing under the Council Regulation (EC) 861/2006 establishing Community financial measures for the implementation of the common fisheries policy and in the area of the Law of the Sea.

MAXIMUM SUSTAINABLE YIELD

The Council held an exchange of views, on the basis of a Presidency questionnaire (14217/06) on the Commission's Communication on implementing sustainability in EU fisheries through maximum sustainable yield (11373/06).

This is a long term policy issue. Achieving maximum sustainable yield for fish stocks by 2015 at the latest is one of the concrete five targets agreed at the World Summit on Sustainable Development in Johannesburg (2002). The Commission's Communication can be considered as a starting point to launch the debate taking into account that progress towards achieving these five targets is one of the elements in the EC's Sustainable Development Strategy reviewed annually by the Spring European Council.

In its Communication, the Commission sets out a new political orientation as regards fisheries management in the Community, by accelerating its move towards a longer-term management system that focuses on obtaining the best from the productive potential of Europe's living marine resources, without compromising its use by future generations.

SIMPLIFICATION OF THE COMMON FISHERIES POLICY

The Council took note of a progress report from the Commission on progress made simplifying the Common Fisheries Policy (CFP) during the Finnish Presidency.

On 9 December 2005, the Commission presented a Communication "2006-2008 Action Plan for simplifying and improving the Common Fisheries Policy". The Communication follows the Council conclusions of April 2005 inviting the Commission to initiate actions leading to the restructuring of Community legislation as proposed in the Commission Communication "Perspectives for simplifying and improving the regulatory environment of the CFP"³. The Action Plan sets out a three-year rolling program for the period of 2006-2008, to simplify the Common Fisheries Policy and certain regulatory provisions as a matter of priority.

At the time of the presentation of the Action Plan on 20 December 2005, the Council concluded that "a progress review on simplifying the Common Fisheries Policy (CFP) should take place at least once during each Presidency".

³ Doc. 14514/04. This fisheries specific Communication on simplification followed from an Interinstitutional Agreement on "Better Lawmaking" which established a broad EU strategy and provided the institutional framework to deliver concrete results to simplify the Community legislation (OJ C 321 of 31.12.2003).

BIODIVERSITY

The Council held an exchange of views on a Commission Communication "*Halting the loss of biodiversity by 2010 - and beyond*", adopted on 22 May 2006 (9769/06+ADD1, ADD2).

The Commission Communication is a response both to the commitment made at the 2001 Göteborg European Council to halt the decline of biodiversity in the EU by 2010, and to the undertaking made at the World Summit for Sustainable Development held in Johannesburg in 2002 to significantly reduce the rate of biodiversity loss at global level.

The Presidency considered important to have an exchange of views not only at the Environment Council, which is due to adopt conclusions relating to the Communication in December, but also at the Agriculture and Fisheries Council, which is directly concerned by parts of the Communication.

The exchange of views was based on two Presidency notes (*13873/1/06 REV 1, 14200/1/06 REV 1*).and was structured on the basis of the following question drawn up by the Presidency:

Do you agree that the targets and actions laid down in the Communication are going in the right direction and can be implemented effectively in order to safeguard the protection of biodiversity and sustainability in the fisheries sector and in the agricultural sector?

All delegations could support the targets and the key actions proposed in the Communication and welcomed the Commission's initiative.

Delegations also stated that the recently reformed Community policies on agriculture, rural development and fisheries can substantially contribute to halting the decline of biodiversity and to preserving ecosystems.

Several delegations particularly stressed the importance of conserving and using genetic resources as a crucial component of biodiversity, underlining the role of international instruments.

The Communication provides an EU action plan, which proposes concrete measures and specifies the responsibility of EU institutions and Member States in relation to each action. The action plan also specifies actions and targets for monitoring, evaluation and reporting.

The Communication identifies four key policy areas – biodiversity in the EU, the EU and global biodiversity, biodiversity and climate change, and the knowledge base. It proposes 10 priority objectives in relation to these, addressing most important habitats and species; actions in the wider countryside and marine environment; making regional development more compatible with nature; reducing impacts of invasive alien species; effective international governance; support to biodiversity in international development; reducing negative impacts of international trade; adaptation to climate change; and strengthening the knowledge base.

The Commission identified four supporting measures relating to adequate funding, strengthening EU decision-making, building partnerships and promoting public education, awareness and participation.

BANANA SECTOR REFORM

The Council held a policy debate on a proposal for a regulation amending Regulations (EEC) No 404/93, (EC) No 1782/2003 and (EC) No 247/2006 as regards the banana sector (*13000/06+ADD1, ADD2*).

The Council is due to adopt the regulation at its session of 19-21 December. The opinion of the European Parliament is expected to be delivered by mid-December.

The proposal replaces the aid scheme in the banana common market organisation (CMO) with an increase in the POSEI budget, through a transfer to the POSEI scheme of the financial envelope for sustaining local banana production in the concerned outermost regions. It includes "non-POSEI" areas under banana cultivation in the Single Payment Scheme (as of 2007 for Greece and Portugal, and in the following years for Cyprus), similarly with an appropriate budget transfer.

The financial envelope included in the proposal is based on the average aid allocated to bananas producers for the period 2000-2002. The proposal provides for the total envelope of EUR 280 million for the producing Member States (Greece, Spain, France and Portugal) except Cyprus, including margin of assurance of 8,5%. For Cyprus, where banana producers are currently supported under the single area payment scheme, an additional budget of EUR 3.4 million is foreseen.

The Council focused its policy debate on the main outstanding issue of the overall financial envelope. Several delegations considered the proposed overall budget as too high. They criticised in particular the reference period chosen and the level of the margin of assurance. One Member State asked for the possibility to continue applying partial decoupling after its integration into the Single Payment Scheme.

Concerning the issue of the proposed budget, the Commission underlined the specificity of the sector and regions in question and the element of solidarity included in the proposal. It pointed out that the reference period selected is the same as the one selected for the 2003 reform and that the proposal would bring certainty and stability to the budget compared to the status quo. It explained that the purpose of the margin of assurance was to take account of the variations in banana prices, which may result from the changes in the import regime.

Furthermore, the Commission underlined that the proposal would ensure the WTO compatibility of the EU's banana regime.

The Presidency concluded that the Council will come back to this issue at its next session.

Community bananas account for 16% of total EU supply. They are produced in four outermost regions situated in tropical or sub-tropical areas (Canary Islands, Martinique and Guadeloupe and Madeira), except for few quantities (less than 2% of total) produced in Cyprus, Greece and continental Portugal.

The objectives of the proposal are in particular to:

- contribute to ensure a fair standard of living of the agricultural community in regions where bananas are produced, while stabilizing public expenditure;
- align the regime on the main principles of the reformed CAP- sustainability, competitiveness, market orientation;
- take adequately into account the particularities of the producing regions: remoteness, insularity, small size and difficult topography.

ENERGY CROPS SCHEME

The Council held a policy debate, on the basis of the text prepared by the Presidency (14967/06), on a proposal for a regulation amending and correcting Regulation (EC) No 1782/2003⁴ and amending Regulation (EC) No 1698/2005⁵ (13217/06 + ADD1).

The aim of the proposal is to make a number of urgent amendments to the energy crops scheme under Regulation 1782/2003, to be applied from 2007, in particular the extension of the scheme to the new Member States applying the Single Area Payment Scheme (SAPS) and the increase in the maximum guaranteed area for the whole Community from 1,5 million ha to 2,0 million ha. The proposal also contains a number of amendments to the direct payments scheme under Regulation 1782/2003, in particular the extension until 2010 of the SAPS for the new Member States, the simplification of the eligibility rules for olive groves and the clarification of formal direct payment rules for the sugar sector.

The Council generally welcomed the Presidency text setting out a number of additional adjustments aimed at simplifying certain parts of Regulation 1782/2003 and instructed the Special Committee on Agriculture to finalise the text on the basis of the political guidance provided by ministers, in order to enable the Council to adopt the proposal at its session of 19-21 December.

The debate of ministers focused in particular on the following issues:

- further extension of the SAPS until 2013;
- possibility of phasing-in statutory cross-compliance requirements for the new Member States applying the SAPS;
- possible abolition of the 10-months rule during which the land parcels shall be at the farmer's disposal for being eligible for the Single Payment Scheme under Article 44(3) of the Regulation;

⁴ Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers (OJ L 270, 21.10.2003, p.1.; regulation as last amended by regulation (EC) No 953/2006, OJ L 175, 29.6., p.1)

⁵ Regulation (EC) No 1698/2005 on support for rural development by the European Agricultural Fund for Rural Development.

- possibility of reducing the three-years period after which unused payments entitlements shall be allocated to the national reserve under Article 45 of the Regulation.

In addition, several delegations requested the Commission to provide for the possibility of national aid for topping up the energy crops premium. Some other delegations, on the contrary, expressed misgivings about national aid with regard to energy crops.

In response to Member States' comments, the Commission stated that a possible extension of the SAPS beyond 2010 and the additional adjustments suggested by the Member States could be discussed during the 2008 CAP health check. As regards the future application of cross-compliance in the new Member States and the possible abolition of the 10-months rule, the Commissioner said that this issue could already be addressed next year, within a more general discussion on cross-compliance scheduled under the future German Presidency.

OTHER BUSINESS

– ***EU/Norway fisheries: Annual consultations for 2007***

The Council took note of the information provided by Commissioner Joe Borg on the first round of negotiations between the Community and Norway that took place on 6-10 November in Bergen. The second round of negotiations will take place in Brussels from 27 November to 1 December.

– ***Genetically modified food and feed***

The Council took note of the presentation by Commissioner Markos Kyprianou of the Commission's report on the implementation of Regulation (EC) No 1829/2003 of the European Parliament and of the Council on genetically modified food and feed (14668/06). The Council held a short exchange of views following the Commission's presentation, in particular to support stricter controls of non authorised GMOs.

– ***Avian Influenza (H5N1)***

The Council took note of the information provided by Commissioner Markos Kyprianou on developments in the situation regarding avian influenza in Europe and in third countries. Even though the disease seems to be under control in the EU and in most third countries, Commissioner Kyprianou invited Member States to remain vigilant and to keep appropriate biosecurity measures, early detection systems and rigorous import controls in place.

– ***Sugar restructuring scheme***

The Council took note of the information provided by the Commission on the state of play on the implementation of the sugar restructuring scheme (15533/06).

– ***Plant protection***

The Council took note of the request from the German delegation on the review of the "old" active substances within the framework of Directive 91/414/EEC concerning the placing of plant protection products on the market (15452/06). The Austrian, Dutch, French, German, Greek, Hungarian, Luxembourg and Spanish delegations supported this request.

– ***Bluetongue***

The Council took note of a request from the French delegation, supported by Belgium, on the economic impact of the movements restrictions imposed by the bluetongue epizootic (15450/06).

– ***Ban imposed by Russia on imports of animal and plant products from Poland***

The Council took note of information provided by the Polish delegation on the ban imposed since December 2005 by Russia on the imports of animal and plant products from Poland (15453/06). In its note, the Polish delegation appealed for support from both the Council and the Commission. The Dutch, Estonian, French, German and Spanish delegations expressed their support of the Polish request and urged the Commission to deploy all the necessary efforts for finding a satisfactory solution. The Presidency added that it would bring this matter to the next EU-Russia Summit on 24 November 2006.

– ***Trade for cats and dogs fur***

The Council took note of the announcement by Commissioner Markos Kyprianou of the Commission's decision to put forward a proposal establishing a ban in the trade of cat and dog fur. Such a ban has been requested both by the Council and the European Parliament. Agriculture Ministers asked the Commission to bring forward proposals to stop the trade of cat and dog fur in the EU, and in the Presidency Conclusions of the June 2006 Agriculture Council, Member States explicitly asked for an EU ban, which they felt would be more effective than national bans.

– ***Future work***

The next meeting of the Agriculture and Fisheries Council will be held in Brussels on 19-21 December 2006.

OTHER ITEMS APPROVED

FISHERIES

Fishing opportunities and associated conditions for certain fish stocks

The Council adopted a Regulation on fishing opportunities and associated conditions for certain fish stocks amending the following two Council Regulations (*14363/06*):

- Regulation (EC) 51/2006 fixing the fishing opportunities and associated conditions for certain fish stocks in Community waters and for Community vessels, in waters where limitations in catch are required for 2006. Amendments of this Regulation were necessary following decisions recently reached by the Community in international Agreements and also by the need for technical clarifications.
- Regulation (EC) 2270/2004 fixing the fishing opportunities for Community vessels for certain deep-sea species in 2005-2006. Pursuant to consultations between the Community and Norway on 31 January 2006 and based on scientific advice, the fishery for roundnose grenadier in zone III, including Norwegian waters, must be restricted to the average catch in the period 1996-2003.

Tariff quotas*

The Council adopted a Regulation amending Regulation (EC) No 379/2004 as regards the increase of the volumes of tariff quotas for certain fishery products for the year 2006 (*13998/06, 14291/06 ADD1*).

EXTERNAL RELATIONS

North Korea - Restrictive measures

The Council adopted a common position concerning restrictive measures against the Democratic People's Republic of Korea in response to the nuclear test proclaimed by the North Korea on 9 October, in order to implement United Nations Security Council resolution (UNSCR) 1718 (2006) (*14364/06*).

The Council decided on different type of measures:

- an embargo on exports to North Korea of arms and of all items, materials, equipment, goods and technology which could contribute to North Korea's nuclear-related, ballistic missiles-related or other weapons of mass destruction-related programmes;
- prohibition of direct or indirect supply, sale or transfer of luxury goods;
- restrictions on admission to the EU aimed at individuals designated as being responsible for, including through supporting or promoting, North Korea's policies in relation to its nuclear-related, ballistic missile-related and other WMD-related programmes, together with their family members;
- freezing of all funds and economic resources belonging to, owned, held or controlled, directly or indirectly, by the persons and entities engaged in or providing support for, including through illicit means, North Korea's nuclear-related, other WMD-related and ballistic missiles-related programmes, or by persons or entities acting on their behalf or at their direction;
- cooperative action by EU member states, including through inspection of cargo to and from the North Korea as necessary, in order to prevent illicit trafficking in nuclear, chemical or biological weapons, ballistic missiles, their means of delivery, related materials and technology.

On 17 October 2006 the Council condemned the test of a nuclear explosive device proclaimed by North Korea and urged Pyongyang to return immediately to the Six-Party talks, to abandon all nuclear weapons and existing nuclear programmes, and to comply with its obligations under the Treaty on the Non-Proliferation of Nuclear Weapons, including submitting all its nuclear activities to International Atomic Energy Agency verification. At that occasion the Council stated that it would fully implement the provisions of all relevant UNSC resolutions and notably those of UNSCR 1695 and UNSCR 1718.

The Northern Dimension

The Council endorsed the two following documents:

- Northern Dimension Policy Framework Document, and
- Political Declaration on the Northern Dimension Policy

in view of the Northern Dimension Meeting to be held in Helsinki on 24 November 2006.

EUROPEAN SECURITY AND DEFENSE POLICY

Palestinian Territories - EU police mission - 2007 budget

The Council adopted a decision enabling at EUR 2.8 million the final budget for the EU police mission for the Palestinian Territories ("EUPOL-COPPS" mission) for the year 2007 (14318/06).

The decision implements joint action 2005/797/CFSP of 14 November 2005, under which the Council established the EUPOL-COPPS mission for a period of 3 years.

The operational phase of EUPOL-COPPS started on 1 January 2006.

(see also press release 14402/05).

ECONOMIC AND FINANCIAL AFFAIRS

Protection of the euro against counterfeiting

The Council adopted a decision amending and extending an EU programme on training, exchange and assistance for protecting the euro against counterfeiting ("Pericles" programme) (14314/1/06).

The decision, addressed to countries of the euro-zone, establishes a financial reference amount of EUR 7 million for the implementation of the Pericles programme for the period 2007-2013.

The Council also adopted a decision, addressed to those EU member states where the euro is not the official currency, extending and amending the Pericles programme with a view to guaranteeing an uniform level of protection throughout the EU (14315/06).

Pericles programme has been running since 2002 and was designed to support and supplement the measures undertaken by the member states and in existing programmes to protect the euro against counterfeiting. Such measures include information exchange, placements and exchanges of staff, as well as technical, scientific and operational back-up.

ENLARGEMENT

Romania - Industrial products

The Council adopted a decision approving an additional protocol to the Europe association agreement with Romania on conformity assessment and acceptance of industrial products (12867/06).

The protocol is aimed at facilitating the elimination of technical barriers between the parties to trade in industrial products with the progressive adoption and implementation by Bulgaria of national law which is equivalent to EU law.

Bulgaria and Romania - Adaptation of EU legislation

The Council adopted a regulation adapting certain regulations and decisions in the fields of free movement of goods, freedom of movement of persons, company law, competition policy, agriculture (including veterinary and phytosanitary legislation), transport policy, taxation, statistics, energy, environment, cooperation in the fields of justice and home affairs, customs union, external relations, common foreign and security policy and institutions, by reason of the accession to the EU of Bulgaria and Romania (14044/06 + ADD 1-8).

The Council also adopted a number of directives, by reason of the accession to the EU of Bulgaria and Romania, adapting directives regarding:

free movement of goods (14046/06 and 14047/06); taxation (14048/06); company law (14049/06); freedom of movement of persons (14051/06); freedom to provide services (14052/06); classification, packaging and labelling of dangerous substances (14053/06); transport policy (14055/06); agriculture (veterinary and phytosanitary legislation) (14056/06); environment (14057/06); arrangements for the exercise of the right to vote and to stand as a candidate in municipal elections by EU citizens (14058/06); quick-frozen foodstuffs for human consumption and labelling, presentation and advertising of foodstuffs (14059/06); energy (14060/06); the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees (14061/06) and statistics (14062/06).

ENVIRONMENT

Conference on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal (Nairobi, 27 November to 1 December 2006) - Council conclusions

The Council adopted the following conclusions:

"THE COUNCIL OF THE EUROPEAN UNION:

1. RECOGNISES the importance of the effective implementation, including enforcement, of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal and REAFFIRMS its firm commitment to such implementation.
2. EXPRESSES DEEP CONCERN at the recent incident in Ivory Coast, which again alerted the world to the grave implications of illegal shipments of waste for developing countries and REITERATES the willingness of the EU to continue to provide its assistance, together with the United Nations, to protect human health and the environment at the places affected.
3. RECALLS that the polluter pays principle is a guiding principle at European and international level.
4. AFFIRMS the importance for the generator and the holder of the waste to manage the waste in a way that guarantees a high level of protection of the environment and human health.
5. NOTES that the 1995 amendment to the Basel Convention which bans hazardous wastes exports for final disposal and recovery from Basel Convention Parties which are EU, OECD members and Liechtenstein to any other Parties to the Basel Convention ("the Ban Amendment") is in force for all Member States, because it has been fully implemented by the Waste Shipment Regulation.
6. ENCOURAGES States which have not already done so to ratify the Ban Amendment in order to facilitate its early entry into force.
7. EXPRESSES CONCERN at the fact that, while the EU is implementing strict requirements for disposal, recovery and recycling of waste, the control of waste exports has not kept pace with these developments.

8. REITERATES the importance of the EU Waste Shipment Regulation, which explicitly bans such exports; NOTES with concern that its provisions are not sufficiently complied with and enforced and that a significant risk of serious incidents persists, as recent inspection campaigns have shown; RECOGNISES that, while the recent revision of the Regulation enables better enforcement and co-operation both at national and EU level, there remains an urgent need to increase compliance and to improve inspections in all Member States and in particular at EU ports to properly implement the export ban on hazardous waste; and STRESSES the urgent need to significantly reduce illegal waste shipments.
9. CONSIDERS that, where necessary, current efforts to improve implementation, including awareness-raising and training, may have to be strengthened with a view to ensuring, *inter alia*, that the necessary measures are taken, especially in sea ports, to establish an adequate enforcement capacity to monitor and control waste shipments.
10. ENCOURAGES Member States to strengthen their cooperation within the IMPEL-TFS (Implementation and Enforcement of Environmental Law - Transfrontier Shipment) network in order to achieve better enforcement of the EU Waste Shipment Regulation with regard to illegal shipment of waste.
11. In view of the upcoming 8th Conference of the Parties in Nairobi (COP 8), RECOMMENDS that the European Community and the Member States should aim at reaching the following objectives with regard to matters on the COP-8 agenda and related issues:

The Ban Amendment (Decision III/1) and Illegal Shipment of Waste

- (a) CONFIRMS that effective implementation of the provisions of the Basel Convention and its 1995 Amendment is a priority for the EU. While the 1995 Amendment is part of the EC legislation, and therefore binding law within the European Union, the EU regrets that the Amendment has, however, not yet come into force at international level. In this context, the EU will pursue its efforts for an early entry into force of the Amendment;
- (b) STRESSES that there is a need for waste and maritime instruments to be closely examined with a view to improving cooperation between the Basel Convention and the IMO with a view to achieving greater coherence and better developing coordination at legal and operational level to prevent illegal shipments of waste and operations involving wastes that harm human health and the environment; INVITES the Commission to assess and review the adequacy of existing measures with a view to preventing illegal shipments from the EU;

- (c) ALSO STRESSES that the exchange of information between port operators and between the Member States' maritime and environmental administrations needs to be improved further in order to prevent illegal shipments of waste, especially to developing countries;

Ship dismantling

- (d) STRESSES that environmentally sound management of ship dismantling is a priority for the European Union. Several recent events and forecasts of tonnages to be dismantled in the near future call for urgent and appropriate action from the international community, including the EU;
- (e) WELCOMES the Commission's intention to work towards an EU-wide strategy on ship dismantling. This strategy shall strengthen the enforcement of existing Community law, recognising the specificity of the maritime world, developments taking place therein, particularly in international maritime legislation, and the final objective of reaching a globally sustainable solution; in this context, the Commission is invited to assess the need for building up sufficient ship dismantling capacity in the EU; CONSIDERS that the EU should respond positively to requests for technical assistance from developing countries;
- (f) WELCOMES the steps taken within the International Maritime Organisation (IMO) towards developing an international legally binding instrument for the safe and environmentally sound recycling of ships; ENCOURAGES Member States to actively support the development of an effective IMO Convention for the Safe and Environmentally Sound Recycling of Ships and UNDERLINES the importance of national coordination to that end;
- (g) REITERATES that
 - (i) the Seventh Conference of the Parties to the Basel Convention recalled in Decision VII/26 that a ship may become waste as defined in Article 2 of the Basel Convention and at the same time may be defined as a ship under other international rules;
 - (ii) the Council conclusions of 24 June 2005 regarded it as essential for IMO to establish mandatory requirements for a ship reporting system, that ensure an equivalent level of control as established under the Basel Convention, taking into account the principle of prior informed consent and including *inter alia* a contract, a ship recycling plan, a green passport and a single list of the on-board hazardous materials; furthermore, CONSIDERS that a procedure of preparation of the ship before its transport for dismantling could also be taken into account;

- (h) STRESSES that appropriate standards for environmentally sound management at ship recycling facilities should be applied, at the earliest possible opportunity, together with an effectively enforced reporting system; adequate information should be provided to enable timely intervention by regulatory competent authorities, so that necessary enforcement action may be taken; in this context, the Basel Convention Guidelines on ship dismantling should also be taken into account;
- (i) EMPHASISES that ships that are waste will continue to fall under the EU Waste Shipment Regulation as well as the Basel Convention, as long as there is no internationally binding and effective legal instrument which, while addressing any special characteristics of ships, guarantees an equivalent level of control and enforceability as established under the Basel Convention;
- (j) BELIEVES that the future IMO Convention for the Safe and Environmentally Sound Recycling of Ships should also generate real change in the conditions under which "end-of-life" ships are dismantled, so as to protect workers and the environment from the adverse impacts of hazardous waste and dangerous working practices;
- (k) UNDERLINES the importance of continued inter-agency cooperation between the International Labour Organisation (ILO), IMO and the Basel Convention in considering matters related to ship dismantling, as appropriate;

Technical guidelines on persistent organic pollutants waste and globally-harmonized forms for the notification and movement of waste

- (l) LOOKS FORWARD to a positive outcome on the work being undertaken by the Basel Convention on Technical Guidelines for an environmentally sound management of persistent organic pollutants (POPs) waste as well as on the globally-harmonized waste notification and movement documents and the relating instructions;

Co-operation and synergies

- (m) AFFIRMS the importance of achieving greater cooperation and synergies amongst relevant international organisations, processes and initiatives dealing with chemicals and waste management, including the recently adopted global Strategic Approach to International Chemicals Management (SAICM);

- (n) in particular, CONSIDERS that close co-operation and enhanced synergies between the Basel Convention on the Transboundary Movement of Hazardous Wastes and Their Disposal and the Stockholm (POPs) and Rotterdam (PIC) Conventions are important and would allow for a more effective implementation of all three instruments; in this regard, RECALLS the importance of a process that is transparent and inclusive and recognizes the autonomy of the Conferences of the Parties to the Basel, Rotterdam and Stockholm Conventions;
- (o) AGREES that the EU will strive for a Basel COP 8 decision to participate in the Ad hoc Joint Working Group on Synergies between the three above-mentioned Conventions and will play a constructive and active part in that Group;

Resource use and mobilization

- (p) Aware that the resources available to the Basel Secretariat are under strain, BELIEVES that it is important that an agreement be reached at COP 8 on an operational budget for the Convention that will allow the Secretariat to operate efficiently and effectively to meet its priorities within its mandate and that is affordable for all Parties including developing countries;
- (q) UNDERSTANDS that developing countries need outside assistance to help their own efforts to implement the Basel Convention and ensure environmentally sound management of waste; CONSIDERS that development assistance could be used to support sound waste management in developing countries. To that end, URGES that waste management should be considered as part of poverty reduction strategies and national sustainable development strategies;
- (r) NOTES that long-term financing for the implementation of the Basel Strategic Plan and of the Basel Convention Regional Centres cannot rely on the Convention Technical Cooperation Trust Fund alone but should also involve major donor organisations."

ATOMIC QUESTIONS

Control of shipments of radioactive waste and spent fuel

The Council adopted a directive laying down a Community system of supervision and control of transboundary shipments of radioactive waste and spent fuel, so as to guarantee adequate protection (13168/06).

The directive amends and repeals Council Directive 92/3/Euratom by clarifying and adding concepts and definitions, addressing situations that had been omitted in the past, simplifying the procedure for the shipment of radioactive waste between Member States and guaranteeing consistency with other Community and international provisions, and in particular with the joint Convention for the safe management of spent fuel and radioactive waste, to which the Community acceded on 2 January 2006.

The revision of Directive 92/3/Euratom was initiated in 2001 in the context of the fifth phase of the "simpler legislation for the internal market" initiative, with a view to making it more user-friendly and transparent.

TRANSPARENCY

Public access to documents

The Council adopted:

- the reply to the letter sent to the Council by the European Ombudsman concerning complaint 2580/2006/TN made by Mr Pádraig Ó LAIGHIN (14004/06);
- the reply to confirmatory application 36/c/01/06, the Swedish delegation voting against (14288/06);
- the reply to confirmatory application 37/c/01/06, the Swedish delegation voting against (14347/06).

Content of the Official Journal series

The Council authorised its representative on the management committee of the Office for Official Publications of the European Communities (OPOCE) to agree to the suggested new structure of the Official Journal (OJ) in order to overcome certain problems with the current classification of documents published in it (15060/06).

The changes involved are minor. They respect the OJ's existing structure and their only purpose is to make the OJ easier to read.