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COUNCIL OF THE EUROPEAN UNION
(Transport, Telecommunications and Energy)

2 and 3 December 2021

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MEETING ON THURSDAY 2 DECEMBER 2021


1. Adoption of the agenda

The Council adopted the agenda set out in 14262/21.

ENERGY

Non-legislative activities

2. Tackling rising energy prices

 13928/21

Exchange of views

The Council held an exchange of views based on a discussion paper by the Presidency (13928/21).

3. Approval of "A" items

a) Non-legislative list


14270/21

The Council adopted the "A" items listed 14270/21 including COR and REV documents presented for adoption.


For the following items the documents should read as follows:

EU positions for international negotiations

3. Council Decision on the EU position at the Barcelona Convention COP22 on the adoption of a Decision to amend the Annex to the Protocol for the Prevention and Elimination of Pollution of the Mediterranean Sea by Dumping from Ships and Aircraft or Incineration at Sea (the 'Dumping Protocol')
- Adoption*
approved by Coreper, Part 1, on 01.12.2021


 14023/21 + ADD 1
+ COR 1 (hr)
13970/21
ENV

5. Council Decision on the EU position at the Barcelona Convention COP22 on the adoption of a Decision to amend the Annexes to the Protocol for the Protection of the Mediterranean Sea against Pollution Resulting from Exploration and Exploitation of the Continental Shelf and the Seabed and its Subsoil (the 'Offshore Protocol')
- Adoption*
approved by Coreper, Part 1, on 01.12.2021


 14023/21 + ADD 1
13972/21
+ COR 1 (hr)
ENV

- b) **Legislative list (Public deliberation in accordance with Article 16(8) of the Treaty on European Union)** 14271/21


Agriculture

1. **Post 2020 CAP reform package:
Regulation on CAP Strategic Plans**  14188/21
Adoption of the legislative act + ADD 1-5
approved by SCA on 29.11.2021 PE-CONS 64/21
AGRI

The Council approved the European Parliament's position at first reading and the proposed act has been adopted, with Bulgaria abstaining, pursuant to Article 294(4) of the Treaty on the Functioning of the European Union. (Legal basis: Article 42 and Article 43(2) TFEU).
Statements to this item are set out in the Annex.

2. **Post 2020 CAP reform package:
Regulation on financing, management and monitoring of
the CAP**  14189/21
Adoption of the legislative act + ADD 1-5
approved by SCA on 29.11.2021 PE-CONS 65/21
AGRI


The Council approved the European Parliament's position at first reading and the proposed act has been adopted, pursuant to Article 294(4) of the Treaty on the Functioning of the European Union. (Legal basis: Article 43(2) TFEU). Statements to this item are set out in the Annex.

3. **Post 2020 CAP reform package:
Regulation on common market organisation (CMO) of
agricultural products**  14190/21
Adoption of the legislative act + ADD 1-3
approved by SCA on 29.11.2021 PE-CONS 66/21
AGRI

The Council approved the European Parliament's position at first reading and the proposed act has been adopted, pursuant to Article 294(4) of the Treaty on the Functioning of the European Union. (Legal basis: Article 43(2), Article 114, Article 118, first paragraph, and Article 349 TFEU). Statements to this item are set out in the Annex.


Legislative deliberations

(Public deliberation in accordance with Article 16(8) of the Treaty on European Union)

4. **Fit for 55 package (legislative initiatives for the implementation of the updated 2030 climate target)** 
- a) **Overview of the Fit for 55 package** 13977/21
Progress report
- b) **Directive 2012/27/EU on energy efficiency to implement the ambition of the new 2030 climate target (recast)** 13894/21
13725/21
- c) **Amendment of Directive (EU) 2018/2001 on the promotion of the use of energy from renewable sources to implement the ambition of the new 2030 climate target** 13894/21
13670/21 + COR 1
Policy debate
Progress report

The Council took note of the progress reports on the revision of the energy efficiency Directive (13725/21) and the revision of the Directive on renewables (13670/21 + COR 1), and held an exchange of views on those proposals based on a discussion paper by the Presidency (13894/21).

Any other business

5. a) **Recent developments in the field of external energy relations** 14218/21
Information from the Commission
- b) **Current legislative proposals**
(Public deliberation in accordance with Article 16(8) of the Treaty on European Union)
- Revision of the TEN-E Regulation  14088/20
Information from the Presidency + ADD 1-2

The Council took note of the state of play of negotiations on this file.

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| c) | Report on the State of the Energy Union
<i>Information from the Commission</i> | 13557/21 + ADD 1 |
| d) | Coexistence between renewable energy and biodiversity
<i>Information from the Danish delegation</i> | 14061/21 |
| e) | The importance of ensuring nuclear safety at the
Belarusian NPP in accordance with the EU recognised
safety levels
<i>Information from the Lithuanian delegation</i> | 14048//21 |
| f) | Impact of existing 70% rule on offshore hybrid projects
<i>Information from the Belgian delegation</i> | 14269/21 |
| g) | Work programme of the incoming Presidency
<i>Information from the French delegation</i> | |

MEETING ON FRIDAY 3 DECEMBER 2021


TELECOMMUNICATIONS

Legislative deliberations

(Public deliberation in accordance with Article 16(8) of the Treaty on European Union)

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| 6. | Directive on measures for high common level of
cybersecurity across the Union
<i>General approach</i> |  14337/21 |
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The Council agreed on a General Approach on the draft Directive on measures for high common level of cybersecurity across the Union as set out in 14337/21.

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| 7. | Regulation laying down harmonised rules on artificial
intelligence (Artificial Intelligence Act)
<i>Progress report</i> |  13802/1/21 REV 1 |
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The Council took note of the progress report set out in 13802/1/21.

8. **Regulation on the framework for a European Digital Identity**  13806/1/21 REV 1
Progress report

The Council took note of the progress report set out in 13806/1/21.

9. **Decision on the Path to the Digital Decade**  13809/1/21 REV 1
Progress report


The Council took note of the progress report set out in 13809/1/21.

Non-legislative activities

10. **Digital rights and principles**  13816/1/21 REV 1
Policy debate

The Council held a policy debate based on a Presidency note (13816/1/21).

Any other business

- a) **Current legislative proposals** 
(Public deliberation in accordance with Article 16(8) of the Treaty on European Union)
- i) **Regulation on European data governance (Data Governance Act)** 13351/20
- ii) **Regulation on roaming on public mobile communications networks within the Union (Roaming Regulation)** 6532/21 + ADD 1
- iii) **Regulation on ePrivacy** 5358/17
Information from the Presidency

The Council took note of the information provided by the Presidency.

- b) Outcomes of the D9+ Ministerial meeting (Luxembourg, 27 October 2021)
Information from the Luxembourg delegation 13916/21
- c) Joint non-paper on EU digital priorities in the context of the elections of the ITU elected officials at the Plenipotentiary Conference 2022
Information from the Lithuanian, delegations 14339/21
- d) Work programme of the incoming Presidency
Information from the French delegation

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- 1** First reading
- 2** Public debate proposed by the Presidency (Article 8(2) of the Council's Rules of Procedure)
- C** Item based on a Commission proposal
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Statements to the legislative "A" items set out in doc. 14271/21

Ad "A" item 1: **Post 2020 CAP reform package:**
 Regulation on CAP Strategic Plans
 Adoption of the legislative act

**STATEMENT BY THE COUNCIL
on the simplification of the CAP**

“The New Delivery Model (NDM) should allow the replacement of compliance-based clearance of expenditure by a performance-based clearance of expenditure, leaving the conception of control and sanction systems at national level, which is a matter of subsidiarity left to the Member States.

The Council requests that the provisions to be issued by the Commission in the future guidelines take full account of the rationale of the New Delivery Model. They should not lead to the reintroduction of compliance requirements that go beyond the scope defined by Article 37 of the horizontal regulation.

In particular, they should provide a better framework for the procedure to determine the amounts to be excluded from EU financing, in line with the current programming, taking into account the nature of the infringement in order to ensure that they are proportionate to the level of financial damage caused to the EU, particularly for the impacts of conditionality-related anomalies. In this regard, we would urge that the definition of serious deficiencies in the governance systems be further clarified. A deficiency can be detected when assessing the functioning of the governance bodies and the basic Union requirements including the reporting systems. This can be done by a review of the internal control system, including compliance testing. Financial corrections should be limited to scenarios where serious systematic deficiencies in the governance systems are detected. The amount to be excluded should be related to the amount unduly spent or to the administrative sanctions that would have been applied. The use of flat rate corrections should be limited to cases where it is impossible to calculate the exact amount unduly spent.

Furthermore, the guidelines will have to provide that the verifications expected from the certification bodies are limited, as regards the evaluation of the governance systems, to the management of the Union rules by these systems without extending it to the conditions of eligibility of individual beneficiaries laid down in the CAP Strategic Plans.

The Council asks the Commission to ensure, in accordance with the announced objectives, that the new delivery model does not lead to a significant increase of the burden for the Member States, but rather to an overall simplification, while guaranteeing the protection of the financial interests of the Union, in particular through the approval procedure of the CAP Strategic Plans and the implementation of Article 59 of the horizontal regulation. The Council also asks the Commission not to cancel the administrative gains from the introduction of the new Delivery Model by demanding additional reporting for monitoring and evaluation.”

JOINT STATEMENT BY THE EUROPEAN PARLIAMENT AND THE COUNCIL on the social dimension of the common agricultural policy

“The European Parliament and the Council invite the Commission to monitor, via a study to be carried out two years after the first two years of application of social conditionality by all Member States, the impact of the mechanism on workers conditions and the functioning of the system of penalties and, where appropriate, to come forward with proposals to enhance the social dimension of the CAP.

By 2025, the Commission will assess the feasibility of including, in Annex XX, Article 7(1) of Regulation (EU) No 492/2011 on free movement of workers and, where appropriate, come forward with proposals to that effect.”

STATEMENT BY BULGARIA, CZECH REPUBLIC, HUNGARY, ROMANIA AND SLOVAKIA

in relation to the exclusion of table potatoes from the scope of coupled support

“We share the necessity to achieve an agreement and finalise the CAP reform, aiming at guaranteeing certainty and predictability for all farmers in the EU. We strongly believe the compromise, which we will unite around, has to be fair and to provide equal treatment to the different sectors and shouldn’t harm any category of producers.

The potato growing sector is of significant importance especially in regions and areas with natural constraints such as the mountain regions. The sector provides livelihood and helps people stay in such often rural areas.

Keeping all currently available instruments of support for the potato producers is of crucial importance to us and it is also in line with the aims of the reform, which we all are aiming at. It provides much needed support to small and medium-sized producers, it helps prevent depopulation in ANC and also helps preserve nature from negative sequences for the environment and the landscape. It also has a very important social impact for numerous small farmers in remote areas.”

STATEMENT BY THE REPUBLIC OF BULGARIA on the English Version of the Regulation

“The Republic of Bulgaria attaches great importance to the promotion and protection of human rights. The country is and will remain dedicated to its human rights commitments.

In 2018, the Bulgarian Constitutional Court adopted a decision stating that the Council of Europe’s Convention on Preventing and Combatting Violence against Women and Domestic Violence (“Istanbul Convention”) promotes legal concepts related to the notion of gender that are incompatible with major principles of the Bulgarian Constitution. In addition, in 2021, the Constitutional Court further clarified that the notion “sex” used in the Constitution could only be regarded in the sense of its biological determination.

The Republic of Bulgaria does not oppose the adoption of draft CAP Strategic Plans Regulation taking into account the great importance of the matter, but in line with the above-mentioned decisions of the Constitutional Court, **declares that the Bulgarian authorities could only collect data disaggregated by sex (male/female).**”

JOINT STATEMENT BY BULGARIA, THE CZECH REPUBLIC, ESTONIA, GREECE, HUNGARY, LATVIA, MALTA AND ROMANIA
on the link between coupled income support and Directive 2000/60/EC of the European Parliament and of the Council

“According to the regulation the intervention strategy shall demonstrate the consistency of the strategy and the complementarity of interventions across the specific objectives set out in Article 6(1). Part of that exercise Member States will have to make an overview of the environmental and climate architecture of the CAP Strategic Plan. This overview creates a link between the interventions under coupled income support and Directive 2000/60/EC on establishing a framework for Community action in the field of water policy (Water Framework Directive). Member States will have to explain how these measures are consistent with the content and objectives of that directive.

The above mentioned Member States declare, that this issue have been incorporated into the legal text at the very last stage of the negotiations, therefore, it was not possible to pursue an exchange of views neither at technical nor at political level. The European Commission was also not in a position the provide details on the practical implementation.

Therefore the above mentioned Member States believe that when assessing the Member States’ explanations the European Commission should:

- bear in mind the original objective of granting coupled income support which is to address the difficulties that sensitive sectors are undergoing;
- acknowledge and take into account that significant differences exist between the different sectors - eligible for coupled income support - in relation to their impact on water resources;
- handle this question in such a way that it does not increase the administrative burden in the strategic planning, implementing or controlling phase;
- issue a guidance document to serve as a basis for the finalisation of the intervention strategy.”

STATEMENT BY POLAND

on equalisation of direct payments between Member States

“Poland supports the adoption of legal acts related to the reform of the Common Agricultural Policy. However, it notes with disappointment that the solution on the convergence of direct payments between countries, agreed under the Multiannual Financial Framework for 2021-2027 and incorporated into the CAP reform provisions, means that in 2027 there will still be significant differences in the level of direct payments between Member States. Poland considers that it will affect the possibility of involving farmers from different countries in achieving the objectives of the reformed CAP. Poland also considers that this issue of differentiation in direct payments should be resolved ultimately in the arrangements for the future, post-2027 multiannual financial framework by full equalisation of direct payments’ level per hectare.”

STATEMENT BY THE CZECH REPUBLIC SUPPORTED BY BELGIUM, BULGARIA, ESTONIA, FINLAND, GREECE, HUNGARY, IRELAND, LATVIA, LUXEMBOURG, THE NETHERLANDS, THE SLOVAK REPUBLIC AND SPAIN
on simplification of the new common agricultural policy of the European Union

“The Czech Republic supported by Belgium, Bulgaria, Estonia, Finland, Greece, Hungary, Ireland, Latvia, Luxembourg, the Netherlands, the Slovak Republic and Spain hereby emphasize the importance of simplification and reduction of bureaucracy within the new Common Agricultural Policy and its implementation.

At the time of publication of the legislative proposals of the new CAP, the European Commission declared that the new policy would be simplified. A lot of simplification effort was made in the legislative process of adoption of the three basic CAP regulations but the secondary EU legislation and national legislations are still to be created.

In this context, if substantial simplification is not possible, it is important to make sure that unnecessary administrative burden be avoided.

Therefore, the Czech Republic, Belgium, Bulgaria, Estonia, Finland, Greece, Hungary, Ireland, Latvia, Luxembourg, the Netherlands, the Slovak Republic and Spain call on the European Commission to ensure that the requirements in secondary legislation are in line with the basic acts, at no circumstances go beyond the political agreement and Commission’s empowerment. These Member States ask the Commission to keep the level of detail of the implementing and delegated acts to an absolute minimum and leave details of implementation for the Member States so that they are able to adapt the CAP to their specific conditions in line with principle of subsidiarity.”

STATEMENT BY LATVIA

“Latvia supports that after extensive discussions post 2020 CAP reform package comes into force on January 2022. It will provide that Member states are able to introduce new CAP measures and that farmers can put into practice new agricultural, climate and environmental and other requirements with no further delays.

However, we recall that at the very last stage of the negotiations new elements and conditions were included in the legal acts or were significantly changed without its practical implementation being thoroughly discussed, namely:

- **Good agricultural and environmental conditions (GAECs):**
GAEC 1: the legal gap should be solved and the option of transitional rules on adjustment of reference year should be envisaged in order to avoid unfair penalising of farmers in 2023 for conversion of permanent grasslands into arable land since 2018, at the time when conversion was not considered as infringement of rules.
GAEC 7: crop diversification shall be alternative of crop rotation at national level. Otherwise part of productive holdings will be strictly limited in their production options.
- **the requirement to divert 10% of direct payment envelope for the redistributive payment** considerably diminishes the income support that we can attribute for the competitiveness of our farmers by means of direct payments. Meanwhile, other instruments, in particular in 2nd pillar, are as well targeted to support small and medium size farmers.

- it must be recognized that by imposing EU financing limits **reform of CAP regulation misses the opportunity to motivate smaller farmers to organize in producer organisations** and obtain greater market power.

Significant efforts and CAP financial resources (25% of DP and 35% of RD) will be devoted to meeting climate and environmental requirements. We believe that the weight on farmers and food producers imposed by **the recently increased ambitions of CAP does not correspond with the financial means available for CAP implementation**. This will particularly affect Member states with low CAP funding and reduced financial allocations (rural development, school scheme) and will jeopardise the achievement of the CAP's main objective of farming and food production.

And it must be acknowledged that the objective of the CAP reform, simplification, unfortunately has not been achieved and the New Delivery Model increases even more administrative burden for the administrations and has made the new approach more complex.

Nevertheless, to move forward with the CAP reform **in the spirit of compromise Latvia votes YES on legislative proposals of the CAP reform.**”

STATEMENT BY HUNGARY

“Hungary recognises and promotes equality between men and women in accordance with the Fundamental Law of Hungary and the primary law, principles and values of the European Union, as well as commitments and principles stemming from international law. Equality between women and men is enshrined in the Treaties of the European Union as a fundamental value. In line with these and its national legislation, Hungary interprets the term ‘gender’ as a reference to ‘sex’ and the term ‘gender equality’ as a reference to ‘equality between women and men’ in the draft Regulation of the European Parliament and of the Council of establishing rules on support for strategic plans to be drawn up by Member States under the Common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulations (EU) No 1305/2013 and No 1307/2013.”

STATEMENT BY ESTONIA, LATVIA AND LITHUANIA on the external convergence

“Baltic Member States support the compromise reached regarding the Strategic Plans regulation - backbone of the new CAP reform, which aims for a transition towards sustainable production of safe and healthy food for the society with due respect to the environment and climate. At the same time, they note that challenges and tasks for farmers to implement the new CAP converge within the EU and are comparably the same for all, incl. the Baltics. Regretfully, it has also to be firmly noted, that within the scope of the current CAP reform the process of external convergence of direct payments has been left unfinished, still constituting the level of direct payments in our region at the lowest in the EU.

Therefore, Estonia, Latvia and Lithuania call to finally solve the long-lasting issue of full external convergence of direct payments within the next MFF negotiations to ensure the level playing field for all farmers across the EU.”

STATEMENT BY THE COMMISSION
on the possibility for Belgium to submit two CAP Strategic Plans

“In view of the provisions of Article 104 of the CAP Strategic Plan Regulation agreed by the co-legislators and taking into account Belgium’s particular constitutional framework, the Commission confirms that it will accept that Belgium submits a CAP Strategic Plan for each of its relevant federated entities. This does not affect or alter Belgium’s legal obligations under the CAP Strategic Plan Regulation.”

Ad "A" item 2: **Post 2020 CAP reform package:**
Regulation on financing, management and monitoring of the CAP
Adoption of the legislative act

STATEMENT BY THE COUNCIL
on the simplification of the CAP

“The New Delivery Model (NDM) should allow the replacement of compliance-based clearance of expenditure by a performance-based clearance of expenditure, leaving the conception of control and sanction systems at national level, which is a matter of subsidiarity left to the Member States. The Council requests that the provisions to be issued by the Commission in the future guidelines take full account of the rationale of the New Delivery Model. They should not lead to the reintroduction of compliance requirements that go beyond the scope defined by Article 37 of the horizontal regulation.

In particular, they should provide a better framework for the procedure to determine the amounts to be excluded from EU financing, in line with the current programming, taking into account the nature of the infringement in order to ensure that they are proportionate to the level of financial damage caused to the EU, particularly for the impacts of conditionality-related anomalies. In this regard, we would urge that the definition of serious deficiencies in the governance systems be further clarified. A deficiency can be detected when assessing the functioning of the governance bodies and the basic Union requirements including the reporting systems. This can be done by a review of the internal control system, including compliance testing. Financial corrections should be limited to scenarios where serious systematic deficiencies in the governance systems are detected. The amount to be excluded should be related to the amount unduly spent or to the administrative sanctions that would have been applied. The use of flat rate corrections should be limited to cases where it is impossible to calculate the exact amount unduly spent.

Furthermore, the guidelines will have to provide that the verifications expected from the certification bodies are limited, as regards the evaluation of the governance systems, to the management of the Union rules by these systems without extending it to the conditions of eligibility of individual beneficiaries laid down in the CAP Strategic Plans.

The Council asks the Commission to ensure, in accordance with the announced objectives, that the new delivery model does not lead to a significant increase of the burden for the Member States, but rather to an overall simplification, while guaranteeing the protection of the financial interests of the Union, in particular through the approval procedure of the CAP Strategic Plans and the implementation of Article 59 of the horizontal regulation. The Council also asks the Commission not to cancel the administrative gains from the introduction of the new Delivery Model by demanding additional reporting for monitoring and evaluation.”

JOINT STATEMENT BY THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE COMMISSION

on further measures to protect the Union budget against fraud and irregularities by requiring a generalised application of a single data mining tool in the framework of the Common Agricultural Policy

“The Council and the European Parliament commit to examining a proposal on the compulsory use of a data mining tool in the Member States, following the Commission’s report by 2025 assessing the use of the single data mining tool and its interoperability with a view to its generalised use by Member States.”

STATEMENT BY THE CZECH REPUBLIC SUPPORTED BY BELGIUM, BULGARIA, ESTONIA, FINLAND, GREECE, HUNGARY, IRELAND, LATVIA, LUXEMBOURG, THE NETHERLANDS, THE SLOVAK REPUBLIC AND SPAIN

on simplification of the new common agricultural policy of the European Union

“The Czech Republic supported by Belgium, Bulgaria, Estonia, Finland, Greece, Hungary, Ireland, Latvia, Luxembourg, the Netherlands, the Slovak Republic and Spain hereby emphasize the importance of simplification and reduction of bureaucracy within the new Common Agricultural Policy and its implementation.

At the time of publication of the legislative proposals of the new CAP, the European Commission declared that the new policy would be simplified. A lot of simplification effort was made in the legislative process of adoption of the three basic CAP regulations but the secondary EU legislation and national legislations are still to be created.

In this context, if substantial simplification is not possible, it is important to make sure that unnecessary administrative burden be avoided.

Therefore, the Czech Republic, Belgium, Bulgaria, Estonia, Finland, Greece, Hungary, Ireland, Latvia, Luxembourg, the Netherlands, the Slovak Republic and Spain call on the European Commission to ensure that the requirements in secondary legislation are in line with the basic acts, at no circumstances go beyond the political agreement and Commission’s empowerment. These Member States ask the Commission to keep the level of detail of the implementing and delegated acts to an absolute minimum and leave details of implementation for the Member States so that they are able to adapt the CAP to their specific conditions in line with principle of subsidiarity.”

STATEMENT BY LATVIA

“Latvia supports that after extensive discussions post 2020 CAP reform package comes into force on January 2022. It will provide that Member states are able to introduce new CAP measures and that farmers can put into practice new agricultural, climate and environmental and other requirements with no further delays.

However, we recall that at the very last stage of the negotiations new elements and conditions were included in the legal acts or were significantly changed without its practical implementation being thoroughly discussed, namely:

- **Good agricultural and environmental conditions (GAECs):**
GAEC 1: the legal gap should be solved and the option of transitional rules on adjustment of reference year should be envisaged in order to avoid unfair penalising of farmers in 2023 for conversion of permanent grasslands into arable land since 2018, at the time when conversion was not considered as infringement of rules.
GAEC 7: crop diversification shall be alternative of crop rotation at national level. Otherwise part of productive holdings will be strictly limited in their production options.
- **the requirement to divert 10% of direct payment envelope for the redistributive payment** considerably diminishes the income support that we can attribute for the competitiveness of our farmers by means of direct payments. Meanwhile, other instruments, in particular in 2nd pillar, are as well targeted to support small and medium size farmers.
- it must be recognized that by imposing EU financing limits **reform of CAP regulation misses the opportunity to motivate smaller farmers to organize in producer organisations** and obtain greater market power.

Significant efforts and CAP financial resources (25% of DP and 35% of RD) will be devoted to meeting climate and environmental requirements. We believe that the weight on farmers and food producers imposed by **the recently increased ambitions of CAP does not correspond with the financial means available for CAP implementation.** This will particularly affect Member states with low CAP funding and reduced financial allocations (rural development, school scheme) and will jeopardise the achievement of the CAP's main objective of farming and food production.

And it must be acknowledged that the objective of the CAP reform, simplification, unfortunately has not been achieved and the New Delivery Model increases even more administrative burden for the administrations and has made the new approach more complex.

Nevertheless, to move forward with the CAP reform **in the spirit of compromise Latvia votes YES on legislative proposals of the CAP reform.**”

STATEMENT BY THE COMMISSION on certification bodies in the framework of the Common Agricultural Policy

“The Commission takes note of the insertion of the new recital 13 into Regulation (EU) 2021/... of the European Parliament and of the Council on the financing, management and monitoring of the common agricultural policy regarding the communication of information on appointed certification bodies. The Commission receives information from the Member States on the appointment of public and private certification bodies and it keeps an up-to-date register of these bodies for monitoring purposes. The Commission recalls its commitment to communicate annually the list of the appointed certification bodies to the Parliament.”

STATEMENT BY THE COMMISSION

on the EAFRD de-commitments in the framework of the Common Agricultural Policy

“The Commission confirms that, if there is a risk of de-commitment of EAFRD funding, the relevant services of the Commission shall send a letter to the Member States’ authorities to alert them of that risk in sufficient time before the applicable deadline of the automatic de-commitment. The purpose of that letter is to encourage an increase in the absorption of EAFRD funding and to explore with Member States what can be done to that effect.

The Commission endeavours to avoid de-commitments also where specific circumstances apply. To that end, the relevant rules laid down in Regulation (EU) 2021/... of the European Parliament and of the Council on the financing, management and monitoring of the common agricultural policy to interrupt the period for de-commitments in the event of on-going legal proceedings or administrative appeals will be fully applied. Moreover, in particular, the rule not to apply de-commitments in the event that budget commitments were not used for reasons of *force majeure* seriously affecting the implementation of the CAP Strategic Plans will be fully complied with.”

STATEMENT BY THE COMMISSION

on bundling of empowerments in the framework of the Common Agricultural Policy

“The Commission recalls its commitment to observe the Interinstitutional Agreement of 13 April 2016 on Better Law-Making. Point 31 of that Agreement states that, on condition that the Commission provides objective justifications based on the substantive link between two or more empowerments contained in a single legislative act, empowerments may be bundled. Consultations in the preparation of delegated acts also serve to indicate which empowerments are considered to be substantially linked.”

STATEMENT BY THE COMMISSION

on further measures to protect the EU budget against fraud and irregularities by requiring an obligatory use of a single data mining tool provided by the Commission

“In the Inter-institutional Agreement between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap for the introduction of new own resources, Points 30 to 33 require the Commission to make available an integrated and interoperable information and monitoring system including a single data-mining and risk-scoring tool to access and analyse the required data with a view to a generalised application by Member States. In addition, the three institutions agreed to sincerely cooperate, in the course of the legislative procedure relating to the relevant basic acts, to ensure the follow up to the European Council conclusions of July 2020 regarding this element.

The Commission welcomes the new provisions introducing the requirement for the Commission to make available a single data-mining tool and on the publication of groups in the articles in the Horizontal Regulation, however, the approach agreed by the co-legislators for the CAP does not appropriately reflect the desired ambition and spirit of the Inter-institutional Agreement. However, the Commission notes that similarly to the agreement for the Common provisions Regulation the use of the tool by the Member States is not obligatory. Therefore in line with the Statement made by the Commission on the agreement reached by the co-legislators in the Common Provisions Regulation, the Commission considers that the agreement reached by the co-legislators for the CAP under Article 59(2) (Protection of the financial interests of the Union) on the use of a single data-mining tool, and the collection and publication of data on groups in Article 98 (Transparency) does not sufficiently enhance the protection of the Union budget against fraud and irregularities and to ensure efficient checks on conflicts of interest, irregularities, issues of double funding, and criminal misuse of the funds. The Commission therefore also welcomes the Joint Statement on the single data mining tool by the three institutions.”

**JOINT STATEMENT BY THE EUROPEAN PARLIAMENT AND THE COMMISSION
on annual performance monitoring in the framework of the Common Agricultural Policy**

“The European Parliament and the Commission recall that, in view of the new delivery model and the performance framework to be established in the Common Agricultural Policy (CAP) for the period 2023-2027, the annual performance reports, annual monitoring and the biennial performance review are of significant importance to uphold the ambitions set out in the CAP Strategic Plans. In that context, the European Parliament and the Commission agree that it is necessary for the Commission to report annually to the European Parliament, in the Committee on Agriculture and Rural Development, on the progress made in the scope of the annual performance monitoring.”

Ad "A" item 3:

**Post 2020 CAP reform package:
Regulation on common market organisation (CMO) of agricultural
products
*Adoption of the legislative act***

**JOINT STATEMENT BY THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE
COMMISSION**

**on proactive engagement at multilateral level concerning the application of EU health and
environmental standards to imported agricultural products**

“The European Parliament, the Council and the Commission recognise the need to seek greater coherence between health and environmental standards that apply to agricultural products in the European Union and those that apply to imported agricultural products, in conformity with international trade rules. In order to tackle sustainable development issues, especially climate change and biodiversity loss, which are issues of global concern, and to match Citizens’ expectations for higher quality and more sustainable foods the European Union has continually raised these standards for many years. The European Green Deal and its sectoral strategies, including the Commission communication “Farm to Fork strategy”, strive to achieve this goal, and will result in a further raising of these standards applied within the EU, including, where relevant, for imported products.

The European Parliament, the Council and the Commission recognise the need to engage proactively at the multilateral level in increasing the ambition on international environmental objectives when enforcing and improving international trade rules. As stated in the Commission Trade Policy Review Communication, it is also appropriate for the European Union, under certain circumstances as defined by WTO rules, to require that imported agricultural products comply with certain production requirements so as to ensure the effectiveness of the health, animal welfare and environmental standards that apply to agricultural products in the European Union and to contribute to the full delivery of the European Green Deal and Farm to Fork Strategy communications. Given the importance of its market in international trade, the European Union can use its leverage capacity to raise health and environmental standards globally and thus contribute to achieving international environmental objectives such as those of the Paris Agreement.

The European Parliament, the Council and the Commission welcome the broader approach put forward in the Trade Policy Review, regarding the need for more engagement at the multilateral level to address key issues, such as strategic stocks, in particular because food is an essential good. Improving global food security implies reducing instability in agricultural markets by more cooperation at multilateral level going beyond reduction of market distortions, which is a necessary but not sufficient factor in stabilising international markets.”

JOINT STATEMENT BY THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE COMMISSION

on the CMO provisions related to the EU sugar sector

“The European Parliament, the Council and the Commission recognise the difficulties faced by the sugar sector after the abolition of the sugar quotas in October 2017, characterised by instability on international markets, stagnating consumption and declining sugar beet and sugar production. This situation is source of concerns for the EU sugar sector.

The current state of the sector and its adaptation strategies will be assessed thoroughly within the framework of a study to be delivered in autumn 2021. The study will analyse the European and national policy instruments available for the sugar sector, the respective roles of the private sector and of the public institutions in responding to the major risks affecting the sector and will identify possible strategies to improve the resilience of the European sugar sector.

The European Parliament, the Council and the Commission will consider any appropriate future policy developments in light of the key findings and conclusions made in the context of this study. Such future policy developments could encompass any relevant regulatory and non-regulatory initiatives related to market and crisis management tools, market transparency in the sugar supply chain, contractual relations between growers and sugar producers, international trade and the evolution of the bioeconomy.”

JOINT STATEMENT BY THE EUROPEAN PARLIAMENT AND THE COUNCIL concerning the application of EU health and environmental standards to imported agricultural products

“The European Parliament and the Council invite the Commission to present, at the latest in June 2022, a report containing an assessment of the rationale and legal feasibility of applying EU health and environmental standards (including animal welfare standards as well as processes and production methods) to imported agricultural and agri-food products as well as identifying the concrete initiatives to ensure better consistency in their application, in conformity with WTO rules. That report should cover all relevant public policy areas including - but not limited to - the Common Agricultural Policy, the Health and Food Safety Policy, the environmental policy and the Common Commercial Policy.”

STATEMENT BY THE CZECH REPUBLIC SUPPORTED BY BELGIUM, BULGARIA, ESTONIA, FINLAND, GREECE, HUNGARY, IRELAND, LATVIA, LUXEMBOURG, THE NETHERLANDS, THE SLOVAK REPUBLIC AND SPAIN

on simplification of the new common agricultural policy of the European Union

“The Czech Republic supported by Belgium, Bulgaria, Estonia, Finland, Greece, Hungary, Ireland, Latvia, Luxembourg, the Netherlands, the Slovak Republic and Spain hereby emphasize the importance of simplification and reduction of bureaucracy within the new Common Agricultural Policy and its implementation.

At the time of publication of the legislative proposals of the new CAP, the European Commission declared that the new policy would be simplified. A lot of simplification effort was made in the legislative process of adoption of the three basic CAP regulations but the secondary EU legislation and national legislations are still to be created.

In this context, if substantial simplification is not possible, it is important to make sure that unnecessary administrative burden be avoided.

Therefore, the Czech Republic, Belgium, Bulgaria, Estonia, Finland, Greece, Hungary, Ireland, Latvia, Luxembourg, the Netherlands, the Slovak Republic and Spain call on the European Commission to ensure that the requirements in secondary legislation are in line with the basic acts, at no circumstances go beyond the political agreement and Commission's empowerment. These Member States ask the Commission to keep the level of detail of the implementing and delegated acts to an absolute minimum and leave details of implementation for the Member States so that they are able to adapt the CAP to their specific conditions in line with principle of subsidiarity.”

STATEMENT BY LATVIA

“Latvia supports that after extensive discussions post 2020 CAP reform package comes into force on January 2022. It will provide that Member states are able to introduce new CAP measures and that farmers can put into practice new agricultural, climate and environmental and other requirements with no further delays.

However, we recall that at the very last stage of the negotiations new elements and conditions were included in the legal acts or were significantly changed without its practical implementation being thoroughly discussed, namely:

- **Good agricultural and environmental conditions (GAECs):**
GAEC 1: the legal gap should be solved and the option of transitional rules on adjustment of reference year should be envisaged in order to avoid unfair penalising of farmers in 2023 for conversion of permanent grasslands into arable land since 2018, at the time when conversion was not considered as infringement of rules.
GAEC 7: crop diversification shall be alternative of crop rotation at national level. Otherwise part of productive holdings will be strictly limited in their production options.
- **the requirement to divert 10% of direct payment envelope for the redistributive payment** considerably diminishes the income support that we can attribute for the competitiveness of our farmers by means of direct payments. Meanwhile, other instruments, in particular in 2nd pillar, are as well targeted to support small and medium size farmers.
- it must be recognized that by imposing EU financing limits **reform of CAP regulation misses the opportunity to motivate smaller farmers to organize in producer organisations** and obtain greater market power.

Significant efforts and CAP financial resources (25% of DP and 35% of RD) will be devoted to meeting climate and environmental requirements. We believe that the weight on farmers and food producers imposed by **the recently increased ambitions of CAP does not correspond with the financial means available for CAP implementation.** This will particularly affect Member states with low CAP funding and reduced financial allocations (rural development, school scheme) and will jeopardise the achievement of the CAP's main objective of farming and food production.

And it must be acknowledged that the objective of the CAP reform, simplification, unfortunately has not been achieved and the New Delivery Model increases even more administrative burden for the administrations and has made the new approach more complex.

Nevertheless, to move forward with the CAP reform **in the spirit of compromise Latvia votes YES on legislative proposals of the CAP reform.**”

STATEMENT BY THE COMMISSION

on the review of import tolerances and Codex Maximum Residue Limits (MRL)

“The Commission will continue to ensure that, following a thorough assessment of the scientific information available for active substances either in the context of the procedures under Regulation (EC) No 1107/2009 or the procedures under Regulation (EC) No 396/2005 and in conformity with WTO rules, import tolerances and Codex Maximum Residue Limits (CXLs) are assessed and reviewed for active substances that are not, or are no longer, approved in the EU, so that any residues in food or feed do not present any risk for consumers. In addition to health and good agricultural practice aspects currently considered, the Commission will also take into account environmental concerns of a global nature in conformity with WTO rules when assessing import tolerance applications or when reviewing import tolerances for active substances no longer approved in the EU. The presentation by the Commission of the proposal for a legislative framework for sustainable food systems will be a crucial additional step towards the full achievement of this ambition, in coherence with the Green Deal objectives.”

STATEMENT BY THE COMMISSION

on wine and aromatised wine products nutrition and ingredients labelling

“The Commission considers that products containing 1,2 % and less by volume of alcohol should continue to be regulated by the FIC Regulation and reserves its right to revert to the legal framework for wine labelling within the upcoming initiative for the labelling of all alcoholic beverages under the EU Beating Cancer Plan.

The Commission also considers that the present compromise on wine and aromatised wine products labelling as regards the list of ingredients and nutrition declaration cannot be seen as creating a precedent for future legislative proposal and negotiation and reserves its rights to align the labelling requirements for all wines to the EU Beating Cancer Plan.”
