

#### COUNCIL OF THE EUROPEAN UNION



15333/07 (Presse 264)

# PRESS RELEASE

2834th Council meeting

# **Agriculture and Fisheries**

Brussels, 26-27 November 2007

President Mr Jaime SILVA, Minister for Agriculture, Rural Development and Fisheries of Portugal



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# Main results of the Council

The Council reached unanimous political agreement on a multiannual recovery plan for **bluefin** *tuna*.

The Council had an initial discussion on the "health check" on the CAP.

The Council took note of legislative proposals relating respectively to **cotton** and to the temporary suspension of import duties on **cereals**.

The Council adopted without discussion a Regulation banning trade in **dog and cat fur** and the draft **budget for 2008** (second reading).

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- <sup>1</sup> Where declarations, conclusions or resolutions have been formally adopted by the Council, this is indicated in the heading for the item concerned and the text is placed between quotation marks.
  - Documents for which references are given in the text are available on the Council's Internet site (http://www.consilium.europa.eu).
  - Acts adopted with statements for the Council minutes which may be released to the public are indicated by an asterisk; these statements are available on the Council's Internet site or may be obtained from the Press Office.

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# **PARTICIPANTS**

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

Belgium: Ms Sabine LARUELLE

<u>Bulgaria:</u> Mr Nikhat Takhir KABIL

<u>Czech Republic:</u> M. Petr GANDALOVIČ

<u>Denmark:</u> Ms Eva Kjer HANSEN

<u>Germany:</u> Mr Horst SEEHOFER

Estonia: Mr Tiit NABER

Ireland: Ms Mary COUGHLAN

<u>Greece</u>: Mr Alexandros KONTOS

Spain: Ms Elena ESPINOSA MANGANA Ms Mercè AMER RIERA

France: Mr Michel BARNIER

<u>Italy:</u> Mr Paolo DE CASTRO

<u>Cyprus:</u> Mr Fotis FOTIOU

<u>Latvia:</u> Mr Mārtiņš ROZE

Lithuania: Ms Kazimira Danutė PRUNSKIENĖ

Luxembourg: Mr Fernand BODEN

Ms Octavie MODERT

Hungary: Mr József GRÁF

<u>Malta:</u> Mr George PULLICINO

<u>Netherlands:</u> Ms Gerritje VERBURG Minister for Small and Medium-Sized Businesses and Agriculture

Minister for Agriculture and Food

Minister for Agriculture

Minister for Agriculture, Fisheries and Food

Federal Minister for Food, Agriculture and Consumer Protection

Deputy Permanent Representative

Minister for Agriculture, Fisheries and Food

Minister for Rural Development and Food

Minister for Agriculture, Fisheries and Food Minister for Agriculture and Fisheries of the Autonomous Community of Balearic Islands

Minister for Agriculture and Fisheries

Minister for Agriculture, Food and Forestry

Minister for Agriculture, Natural Resources and Environment

Minister for Agriculture

Minister for Agriculture

Minister for Agriculture, Viticulture and Rural Development, Minister for Small and Medium-sized Businesses, the Liberal Professions and the Self-Employed, Tourism and Housing State Secretary for Relations with Parliament, State Secretary for Agriculture, Viticulture and Rural Development, State Secretary for Culture, Higher Education and Research

Minister for Agriculture and Rural Development

Minister for Rural Affairs and the Environment

Minister for Agriculture, Nature and Food Quality

<u>Austria:</u> Mr Josef PRÖLL

Poland: Mr Marek SAWICKI

<u>Portugal:</u> Mr Jaime SILVA Mr Luís VIEIRA

**<u>Romania:</u>** Mr Dacian CIOLOŞ

<u>Slovenia:</u> Mr Iztok JARC

Slovakia: Mr Peter JAVORCÍK

<u>Finland:</u> Ms Sirkka-Liisa ANTTILA

<u>Sweden:</u> Mr Eskil ERLANDSSON

United Kingdom: Mr Jonathan SHAW

Mr Richard LOCHHEAD

<u>Commission:</u> Mr Joe BORG Ms Mariann FISCHER BOEL Federal Minister for Agriculture, Forestry, the Environment and Water Management

Minister for Agriculture and Rural Development

Minister for Agriculture, Rural Development and Fisheries State Secretary for Agriculture and Fisheries, attached to the Minister for Agriculture, Rural Development and Fisheries

Minister for Agriculture and Rural Development

Minister for Agriculture, Forestry and Food

Deputy Permanent Representative

Minister for Agriculture and Forestry

Minister for Agriculture

Parliamentary Under-Secretary of State, responsible for Marine and Fisheries, Rural Affairs, Landscape and Local Environment Quality, and Minister for the South East Scottish Cabinet Secretary for Rural Affairs and Environment

Member Member

## **ITEMS DEBATED**

# **HEALTH CHECK**

The Council noted the **presentation** by the Commission of the communication "Preparing for the "Health Check" of the CAP reform" which was adopted on 20 November (<u>15351/07</u>) and the Ministers' initial reactions to this important study on the functioning of the reformed CAP, and on its future.

The future **Slovenian Presidency** said it intended to organise, under its aegis, the discussions necessary to conclude discussions in **March 2008**.

The European Parliament has drawn up a work schedule which would enable it to adopt its opinion at the plenary session in March 2008.

On the basis of the proceedings of the European Parliament and the Council, and also the consultations with interested parties, the Commission should come back with **legislative proposals** in **May 2008**; the future French Presidency intends to hold intensive discussions on those proposals so that the matter can, if possible, be concluded during its term of office.

The 2003 CAP reform allowed for several review clauses, horizontal clauses or clauses specific to certain agricultural markets; these are incorporated in the Communication, which sets out three main objectives:

- 1. Improvement of the single payment scheme, by making it more efficient and at the same time simplifying it;
- 2. Modernisation of agricultural market management tools; and
- 3. Facing the new environmental challenges.

The Communication also seeks to highlight the vital role played by farmers in the management of natural resources and the environment and so justify to the European **taxpayer** the share of the Community budget that is allocated to this heading. This initiative was unanimously welcomed by the Ministers.

The Communication mentions several adjustments that could be made to the CAP, such as:

- measures for achieving the total decoupling of aid: with regard to this question, some Ministers gave a reminder of their support for such an approach, which is intended to increase competitiveness, whereas others wanted to retain partial coupling, in particular for stock farming (suckler cows and sheep);
- review of cross-compliance: most delegations wanted to go further in the simplification exercise that had already started<sup>1</sup>;
- capping of payments: some delegation saw this as a means of better distributing aid, by limiting the amount of aid for large holdings, but other delegations were concerned about the risk of fragmentation to evade a possible size limit. Others feared the socio-economic impact of such an initiative in their countries where large-scale structures may have a historical basis;
- simplification of the single payment scheme was welcomed by all the Ministers although some of them gave a reminder of the need to respect the commitments given in 2003 to farmers who need stability and foreseeability to optimise their investments and new installations. In addition, the "new" Member States applying the single area payment scheme (SAPS) welcomed the Commission's intention of examining the possibility of maintaining SAPS until 2013.
- changes with regard to market management tools (set-aside, price support, intervention (in particular cereals), export refunds): several delegations called for more detailed and cautious consideration of these questions, noting the exceptional market situation but considering it premature to draw medium or long-term conclusions;
- measures enabling environmental challenges to be met (alleviating the effects of climate change, biofuels, water management, respect for biodiversity, etc.) were also welcomed by all the delegations;
- the desirability of introducing a Community-wide risk management policy was also raised, with some delegations mentioning insurance systems for climate or health risks and others insisting on maintaining a Community commitment in this connection;

<sup>&</sup>lt;sup>1</sup> See Commission proposal *12585/07*.

- strengthening the second pillar: the idea of gradually increasing compulsory modulation to reach 13 % in 2013 got a mixed reception, with some delegations uncertain of the real need for such a measure or regarding the increase as too drastic, while others stressed that the funds transferred in this way should remain earmarked for agriculture;
- the question of the phasing-out of milk quotas, which are scheduled to end in 2015, was also mentioned repeatedly: most of the delegations could agree to it but some Member States drew the Commission's attention to the typical socio-economic aspects of certain regions (mountain, peripheral or very fragile).

Finally, in a broader perspective, some delegations stressed the **strategic** role of agriculture for the security of supply of 500 million Europeans and the need to promote health and animal welfare standards at international level that are as exacting as Community standards.

# **COTTON**

The Council took note of the presentation by the European Commission of a proposal for reform of the support scheme in the cotton sector (15026/07).

The Council instructed the Special Committee on Agriculture to examine the legislative proposal with a view to reaching an agreement as soon as possible. The expert Working Party started work on the task on 27 November.

The Court of Justice annulled on 7 September 2006<sup>1</sup> the Regulation adopted in 2004<sup>2</sup>, essentially because insufficient account had been taken of the socio-economic impact of the reform. The Commission responded by submitting an impact assessment focusing in particular on family structures (*15026/07 ADD 1 to 3*).

The main measures in the proposal are:

- decoupling of aid: 65 % for the decoupled portion and 35 % for that still linked to production (same ratio as in the 2004 reform);
- eligibility for coupled aid for land approved by the Member State and authorised seed varieties;
- maximum areas for each Member State fixed at the same level as those of 2004 (Greece 370 000 ha, Spain 70 000 ha and Portugal 360 ha) and addition of 10 237 ha for Bulgaria, which entered the European Union after that date;
- the Commission will study the possibility of creating a "**label of origin**" to promote EU cotton and inclusion in the Geographical Indications system.

An aid scheme for cotton was established by Protocol No 4 to the Act of Accession of Greece <sup>3</sup>. Equivalent Protocols were annexed to the Accession Treaties of Spain and Portugal in 1986.

The proposal is based on Article 37 of the Treaty, which provides for consultation with the European Parliament.

<sup>&</sup>lt;sup>1</sup> Case C-310/04. However, the effects of the annulment are suspended until the adoption, within a reasonable time, of a new Regulation.

<sup>&</sup>lt;sup>2</sup> Regulation (EC) No 864/2004.

<sup>&</sup>lt;sup>3</sup> OJ L 291, 29.11.1979, p. 174.

# **CEREALS - IMPORT DUTIES**

The Council took note of the presentation by Mariann Fischer Boel of a proposal aimed at temporarily suspending import duties on cereals - with the exception of oats  $^1$  – for the marketing year ending on 30 June 2008 (15356/07).

This information was welcomed very positively by the Ministers, in the context of a very tense cereals market and prices reaching record levels. However, some Ministers called for greater attention to be paid to market developments.

The Presidency instructed the Special Committee on Agriculture to examine the proposal so as to enable it to be adopted before the end of its term.

The 2007 cereals crop is estimated at 265 million tonnes, a drop of 10 million tonnes on 2006 production.

Adverse climatic conditions in Europe, as on other continents, partly explain this fall in production. The stock level is very low and operators will have to import more, both to supply the agri-foodstuffs industry and to fuel the various livestock sectors. In addition, some of the Union's trading partners have taken steps to restrict their exports.

Traditionally a net exporter, up until July 2007, the EU has become an importer (5,2 million tonnes imported as at 20 November).

The Commission will continue to study the market and may reintroduce duties if necessary.

<sup>&</sup>lt;sup>1</sup> For oats, import duty is EUR 89 per tonne.

# **WINE**

Following trilateral meetings held by the Presidency and the Commission with the delegations, the Presidency informed the Council of the strategy it intended to follow to reach an agreement on reform of the wine sector before the end of its term.

Three major political points will be submitted to the Ministers in December:

 detailed rules for terminating the planting rights scheme, in particular the fixing of an expiry date:

the 1999 reform fixed the date for the abolition of planting rights at 2010. In the framework of the new reform proposal, the Commission has proposed postponing this date until 2013;

- Member States's requests concerning the budget in relation to the national envelopes, given that they have to comply with the current Financial Perspective;
- possible retention of enrichment by the addition of sugar (chaptalisation) and, in that case, in the interests of balance, the need to rethink the question of abolishing aid for concentrated must and to consider the relevant labelling conditions.

The Council also instructed the SCA to continue its discussion on some issues which need further improvement in order for a compromise to be reached, in particular:

- the grubbing-up scheme over a three-year instead of a five-year period (in particular the resulting budgetary aspects);
- the conditions for indicating grape variety and vintage on the label for wines without a geographical indication or appellation of origin;
- the role of interprofessional organisations in market management;
- the room for manoeuvre that Member States will be allowed within the national envelopes and the possible addition of further measures to the "menu".

# **NORWAY**

The Council took note of the information provided by the Commission on the annual consultations between the Community and Norway for 2008, which finished early on Monday 26 November, concerning the respective fishing opportunities of the two parties, and associated measures such as the joint management of stocks for certain species <sup>1</sup>.

The Council also took note of the comments of several delegations which, while welcoming the overall balanced outcome obtained after long negotiation, stressed the need to maintain that balance in the future.

In 1980 the European Community and Norway signed a fisheries agreement <sup>2</sup>, and the total allowable catches (TACs) for certain species of fish are fixed jointly, taking into account the scientific advice from the International Council for the Exploration of the Sea (ICES).

For more information, see:

http://ec.europa.eu/fisheries/press corner/press releases/com07 86 en.htm

<sup>&</sup>lt;sup>1</sup> Cod (*Gadus morrhua*), haddock (*Melanogrammus aeglefinus*), herring (*Clupea harengus*), plaice (*Pleuronectes platessa*), saithe (*Pollachius virens*), blue whiting (*Micromesistius poutassou*) and mackerel (*Scomber scombrus*).

<sup>&</sup>lt;sup>2</sup> OJ L 226, 29.8.1980, p. 48.

# <u>TUNA</u>

The Council reached unanimous political agreement on a draft Regulation instituting a multiannual recovery plan for bluefin tuna *(Thunnus thynnus)* to be carried out over 15 years *(8308/07)*. This plan transposes into European legislation the international obligations of the Community, which is a Party to the International Convention for the Conservation of Atlantic Tunas (ICCAT)<sup>1</sup>.

The Regulation will be adopted at a subsequent meeting of the Council.

The main measures introduced by the plan are:

- the establishment of control measures centred on an annual fishing plan to be submitted by each Member State concerned, identifying, *inter alia*, the fleet of vessels over 24 metres long fishing for bluefin tuna, and their individual quotas. Member States whose national quotas do not exceed 5 % of the Community TAC could propose a specific alternative method to achieve the same result in terms of control (*Article 4*);
- technical measures (seasonal restrictions on fishing by large-scale pelagic longline vessels over 24 m, on purse-seine fishing, and on bait boats and pelagic trawlers);
- a ban on the use of airplanes or helicopters for searching for bluefin tuna;
- the minimum weight or size is 30 kg or 115 cm (derogations possible down to 8 kg or 75 cm for bluefin tuna caught in the Eastern Atlantic by bait boats, trolling boats and pelagic trawlers, under certain conditions, and for bluefin tuna caught in the Adriatic Sea for farming purposes);
- recreational fishing is limited to the catching of a single bluefin tuna in each sea trip;
- the marketing of bluefin tuna caught in recreational or sport fishing is prohibited except for charitable purposes;

<sup>&</sup>lt;sup>1</sup> The ICCAT recommendation, adopted in Dubrovnik in November 2006, entered into force on 13 June 2007, and has already been reflected in the TAC and Quotas Regulation for 2007 (Council Regulation (EC) No 643/2007 of 11 June 2007 (OJ L 151, 13.6.2007, p. 1)).

- the designation of ports for landing bluefin tuna;
- ban on transhipment, except for large-scale tuna longline fishing vessels;
- the registration and issuing of fishing permits or licences to fishing vessels by flag and for traps.

At the last meeting of ICCAT at Antalya in Turkey, the 45 delegations agreed to continue applying the plan decided on in 2006 for a further year, before revising it in the light of an updated scientific opinion on the stock, envisaged for the end of 2008.

ICCAT also adopted a number of measures proposed by the EU, including a reduction in the TAC for northern albacore to 30 200 tonnes for 2008 and 2009, along with a seasonal closure of one month for Mediterranean swordfish and measures to reduce by-catches of birds by longline vessels fishing in the South Atlantic.

# **SIMPLIFICATION OF THE COMMON FISHERIES POLICY**

The Council took note of the presentation by Mr Borg, Member of the Commission, on progress in implementing the measures introduced to simplify the common fisheries policy (CFP) (15613/05) since the Council last took stock in April<sup>1</sup>.

In 2007, in the framework of the 2005 Action Plan, the Commission worked on:

- optimisation of the timetable for consultations and continuation of the front-loading exercise, notably based on regional criteria (Baltic, Black Sea);
- extended and systematic impact assessments for all major proposals;
- clarification of terminology;
- a proposal for data collection which is expected to be adopted soon;
- measures implementing the Fisheries Fund;
- minimum rules for the award of State aid;
- a communication and proposal on illegal, unreported and unregulated fishing;

The timetable for 2008 is as follows:

- modernisation and overhaul of the verification system;
- reduction in the administrative burden, notably by encouraging the use of documents in electronic form;
- simplification of procedures, for both operators and official departments.

<sup>&</sup>lt;sup>1</sup> See Press Release <u>8297/07</u>.

# **ILLEGAL FISHING**

The Council took note of the presentation by Commissioner Borg of an illegal, unreported and unregulated fishing (IUU) "package", comprising a communication to the Parliament, Council, Economic and Social Committee and Committee of the Regions and a legislative proposal (<u>14236/07</u> and <u>14237/07</u>).

The Council noted the Presidency's oral report following the Conference on the subject held in Lisbon on 29 October 2007 and the Ministers' very favourable reactions to this internationally and regionally important initiative.

The proposal is based on a comprehensive strategy involving all links in the supply chain and proposes the following measures:

- establishment of a certification scheme for imports of all fishery products (including processed products) into the Community, ensuring that catches were made under completely legal conditions;
- stricter conditions for access to Community ports and transshipment, together with provisions strengthening the Member States' responsibilities towards their nationals;
- a system for approximating the maximum levels of sanction applicable by Member States for serious infringements of CFP rules.

The proposal will supplement the existing framework constituted by the Community "acquis" on **monitoring and inspection** (including Regulations (EEC) No 2847/93 and (EC) No 2371/2002 on the one hand and, on the other, the rules laid down by **regional fisheries management organisations** (RFMOs) for their respective areas (Regulations (EC) No 1936/2001 and (EC) No 601/2004, in particular). Regulation (EC) No 882/2004 also applies to controls on foodstuffs.

The Community has one of the largest fishing fleets in the world and ranks third in terms of catching power. It also has the biggest market and is the largest importer of fishery products. In 2005 the value of fishery products imported into the Community amounted to almost EUR 14 billion.

The European Community has been engaged in combating illegal, unreported and unregulated fishing for over ten years, at both regional and international levels, in particular in close cooperation with developing countries.

# **OTHER ITEMS**

# - Situation on the cattle feed market - request by the Greek delegation, supported by the Cyprus delegation

The Council took note of the concerns voiced by the Greek and Cyprus delegations, supported by the Maltese and Netherlands delegations, regarding the fall in the supply of cattle feed and the resultant steep rise in prices, as well as the transportation problems intrinsic to their geographical situation.

At this point, certain delegations sought to link this matter to the discussion on the possibilities of speeding up GMO authorisation procedures by the European Food Safety Agency. Others highlighted the opportunities afforded by animal proteins, subject to compliance with animal health and public health rules.

In response to the request by these delegations that provision be made for income support, the Commission pointed out the option of using *de minimis* State aid, while ruling out transport aid.

#### - Cattle feed and its impact on prices – request by the Latvian delegation

The Council took note of the critical situation outlined by the Latvian delegation with regard to cattle feed prices and their impact on pigmeat production.

The price of cattle feed had risen by 70 % in one year, with feed costs accounting for over 60 % of pigmeat production costs in Latvia.

Latvia also asked for the debate to be broadened to look into sustainable crisis-management tools during the discussion on the health check.

#### - Pigmeat refunds - request by the French delegation

The Council took note of the request by the French delegation, supported by the Cyprus, Lithuanian, Czech and Spanish delegations, and of the broader debate on sustainable crisis-management tools which the French delegation intends to conduct in the context of the health check.

The Commission representative informed the delegations of the Commission's intention to submit to the management committee on Thursday 29 November measures to introduce pigmeat export refunds for carcases, half-carcases and cuts of fresh and frozen pigmeat.

#### - World Trade Organisation (Doha round) - Commission briefing

Mariann Fischer Boel informed the Ministers that there would be a "break" in the agricultural negotiations in Geneva until the end of January 2008.

# **OTHER ITEMS APPROVED**

# AGRICULTURE

#### Seed

The Council adopted unanimously a Decision extending until 31 December 2012 recognition of the equivalence of field inspections on seed-producing crops, whether carried out in Member States or in third countries (14287/07).

Decision 2003/17/EC had established equivalence for a period of two years expiring on 31 December 2007.

#### Dog and cat fur\*

The Council adopted by a qualified majority <sup>1</sup> a Regulation banning the placing on the market and the import into, or export from, the Community of cat and dog fur and products containing such fur (3632/07 + 14262/07 ADD 1).

The ban concerns fur from the species *Felis silvestris* and *Canis lupus familiaris* and is based on Articles 95 and 133 of the Treaty. Exceptional specific derogations may be considered for educational or taxidermic purposes.

The Regulation meets the recurrent requests from several delegations to extend the ban to the Community as a whole, following the introduction of national bans in their own Member States<sup>2</sup>.

Parliament delivered its first-reading opinion on 19 June 2007. The outcome of Parliament's vote reflected the compromise agreed on between the institutions and made it possible to conclude a first-reading agreement with the Council.

The legislative act has still to be signed by the President of the European Parliament, the President of the Council and the Secretaries-General of both institutions prior to its publication in the Official Journal of the European Union.

<sup>&</sup>lt;sup>1</sup> The Italian delegation voted against.

<sup>&</sup>lt;sup>2</sup> In particular Denmark, France, Italy, the Netherlands and Sweden.

## CAP financing\*

The Council adopted by a qualified majority <sup>1</sup> a Regulation amending Regulation (EC) No 1290/2005 on the financing of the common agricultural policy.

The Regulation aims to supplement or clarify certain aspects of current procedures concerning *inter alia* the **ex-post publication**, for each financial year, of information concerning the **beneficiaries** of Community funds, as from 16 October 2007 for the EAGF and from 1 July 2007 for the EAFRD. Member States will be responsible for such publication.

(See Press Release 13683/07)

## <u>FISHERIES</u>

#### **Baltic Sea\***

The Council adopted a Regulation fixing the fishing opportunities for 2008 in the Baltic Sea (14639/07 ADD 1 and 14640/07). Estonia voted against on the grounds that the quota allocated for herring fishing in the Gulf of Riga was insufficient.

The main total allowable catches (TAC) and quotas for Member States bordering the Baltic Sea were given in a table in the Press Release of 23 October 2007 which announced the political agreement reached by the Ministers (*13683/07*).

The Council also agreed to renew in 2008 the existing restrictions concerning the fishing of flounder (*Platichthys flesus*) and turbot (*Psetta maxima*).

#### COMMON FOREIGN AND SECURITY POLICY

#### Democratic Republic of the Congo – Restrictive measures – Exception for technical assistance

The Council adopted a Regulation amending Regulation (EC) No 889/2005 imposing certain restrictive measures in respect of the Democratic Republic of Congo (DRC) (14405/07).

<sup>&</sup>lt;sup>1</sup> The Greek and Cyprus delegations voted against and the Irish and Luxembourg delegations abstained.

The Regulation amends Regulation (EC) No 889/2005 by introducing a new exception to the restrictive measures imposed against the DRC in order to allow the provision of technical assistance for support of units of the army and police of the DRC that are in the process of their integration in the provinces of North and South Kivu and the Ituri district, in accordance with UN Security Council Resolution 1771 (2007).

It also aligns Regulation (EC) No 889/2005 with recent developments in sanctions practice regarding the identification of competent authorities, liability for infringements and jurisdiction.

Regulation (EC) No 889/2005 imposed restrictive measures in respect of the DRC in accordance with Common Position 2005/440/CFSP and in line with UN Security Council Resolution 1596 (2005) and subsequent relevant resolutions.

# <u>BUDGET</u>

#### EU budget for 2008 - Council's second-reading agreement

The Council confirmed the outcome of the conciliation meeting held by the EU institutions on 23 November 2007 concerning the Council's second reading of the EU's general budget for the financial year 2008 (15697/07).

The European Parliament, the Council and the Commission agreed on the following:

- to accept Preliminary Draft Amending Budget No 7/2007 as amended by the Commission on 12 November 2007;
- to accept Letter of Amendment No 2/2008 as proposed by the Commission;
- to fix the amount of the Common Foreign and Security Policy budget at EUR 285,25 million in commitment appropriations for 2008 and to agree on the mobilisation of the Flexibility Instrument for this purpose for an amount of EUR 70 million;
- to fix the total amount for payment appropriations (absolute figures) for the 2008 budget at EUR 120 346,76 million, including the payment appropriations in 2008 for the Galileo project and a reduction of EUR 300 million in appropriations regarding clearance of accounts in comparison to the PDB;

- to agree on a joint statement on the financing of the European GNSS programmes (EGNOS-GALILEO) and on the financing of the European Institute of Innovation and Technology;
- to agree on a joint statement concerning transfer of appropriations No DEC50/2007 related to Galileo;
- to agree on a joint statement regarding joint undertakings for joint technology initiatives;
- to agree on a joint statement on the procedure for implementing the agreement reached on 23 November 2007.

(see also Press Release 15231/07)

#### **DEVELOPMENT COOPERATION**

#### European Development Fund – Deadline for commitment of funds

The Representatives of the Governments of the Member States, meeting within the Council, adopted a Decision amending Decision 2005/446/EC setting the deadline for the commitment of the funds for the 9th European Development Fund (14247/07).

#### TRADE POLICY

#### EU/Mexico Joint Council - Negotiation of mutual recognition agreements

The Council adopted a decision on a Community position within the EU-Mexico Joint Council concerning the establishment of a framework for the negotiation of mutual recognition agreements in accordance with Joint Council Decision 2/2001, which provides for the liberalisation of trade in services between the Parties in accordance with GATS.

#### **RESEARCH**

#### India - Renewal of agreement for scientific and technological cooperation

The Council adopted a Decision approving the signing of an Agreement renewing the Agreement for scientific and technological cooperation with India (14418/07).

The signature is scheduled to take place in the margins of the EU-India summit in New Delhi on 30 November.

#### Joint Research Centre – Extension of high-flux reactor programme

The Council adopted a Decision extending for one year a high-flux reactor research programme to be implemented by the Euratom Joint Research Centre (12131/07).

The research programme involving the high-flux reactor at Petten (the Netherlands) is one of the principal means available in the EU of contributing to the support and testing of medical diagnostic and therapeutic methods, to the development of materials sciences and to problem solving in the field of nuclear energy.

#### TRANSPORT

#### Aviation – Agreement with USA on civil aviation safety

The Council adopted a Decision on the signing of an Agreement between the United States of America and the European Community on cooperation in the regulation of civil aviation safety. *(13230/07)*.

The purposes of this Agreement are to:

- enable the reciprocal acceptance of findings of compliance and approvals issued by the Technical Agents and Aviation Authorities;
- promote a high degree of safety in air transport;
- ensure the continuation of the high level of regulatory cooperation and harmonisation between the United States and the European Community regarding airworthiness approvals and monitoring of civil aeronautical products, approvals and environmental testing of civil aeronautical products and approvals and monitoring of maintenance facilities.