



LMC Brussels Update – September 2016

Brexit - The Commission has decided to set up a Task Force for the preparation and conduct of the negotiations with the United Kingdom under Article 50 of the TEU ("Article 50 Task Force"). It will be in charge of preparing and conducting the negotiations with the UK, taking account of the framework for its future relationship with the European Union. This follows the appointment, on 27 July 2016, by President Juncker of Michel Barnier as Chief Negotiator in charge of those negotiations and of the new Task Force. Ms Sabine Weyand, currently Deputy Director-General in the Commission's trade department (DG TRADE), has been appointed as Deputy Chief Negotiator as of 1 October 2016. At the same time, Guy Verhofstadt (a Belgian MEP, leader of the Liberals and Democrats group at the EU Parliament) was appointed as European Parliament's representative for Brexit negotiations. Guy Verhofstadt will keep the Conference of Presidents (comprising the EP President and group leaders) fully informed of developments and will help prepare the EU Parliament position in the negotiations.

CAP simplification – The Commission has proposed a further series of measures for the simplification of the CAP. Changes are proposed to Rural Development Regulation to provide for a sector specific Income Stabilisation Tool. This will give MS the possibility to design a tool tailored for a specific sector (e.g. beef), which it is intended will make it more attractive for both farmers and administrations. The proposal also responds to the need to provide better means to support farmers in times of market crisis and reflects recent difficult experiences in a number of sectors. A further substantial change has been proposed to the RD Regulation to introduce simpler rules for accessing loans and other Financial Instruments. The Commission is also proposing to allow Member States greater discretion in the application of the definition of an "active farmer". All these proposals now require the full co-decision with the Council and the European Parliament. The aim is that these elements can enter into force by the start of 2018.

Cork 2.0. - Coming 20 years after the first Cork Conference on Rural Development (1996), which culminated in the Cork Declaration on Rural Development, the Cork 2.0 conference resulted in the drafting of a [new Declaration "Better Life in Rural Areas"](#) that will feed into deliberations on the future of the CAP. It outlines 10 policy orientations that should guide an innovative, integrated and inclusive rural and agricultural policy in the European Union. In particular, the text recommends the set-up of a rural proofing mechanism to ensure that the potential of rural areas is reflected in Union policies and strategies. The emphasis is also put on the need to provide farmers with effective risk management tools and mechanisms to encourage innovation.

EU agri-food exports - For the 12-month period from August 2015 to July 2016, EU agri-food exports reached a value of more than € 128 billion, corresponding to an increase by 0.7% in value terms compared to the same period one year ago, according to [the latest agri-trade monthly report](#). The monthly value of EU agri-food exports in July 2016 reached € 10.5 billion, a moderate slowdown compared to the high performance in July 2015. The highest increases in monthly export values were achieved for pork, with € 1.1 billion corresponding to an increase of 29% compared to export values one year ago. In relative terms, high increases in export values were also seen for butter and fresh milk products, as well as for bovine meat. Raw hides and skins (EUR -1.3 billion; -42%), wheat (EUR -

1.1 billion; -15.5%) and milk powders (EUR -703 million; -16%) lost most in export values over the last 12 months. Reductions in export revenues were also noted for other cereals, poultry meat and fresh fruit.

Food Supply Chain - An informal Agriculture Council organised by the Slovak Presidency of the EU earlier this week focused on 'Strengthening of the farmers' position in the food supply chain', a priority for the Presidency. However, because of differences among Member States' national situations, no common set of conclusions could be reached. The least controversial issue was market transparency. Member States overall welcomed the introduction of the milk market observatory and the meat market observatory. Several delegations called on the existing market observatories to be extended to other sectors, and suggested to go beyond the reporting of farm prices and take into account other elements of the food chain (price formation at the level of processors and retailers). The Council will keep working on this topic and aims to adopt conclusions at the Agricultural Council meeting in December this year.

Animal Welfare - A [Commission report](#) on Council Directive 98/58/EC concerning the 'protection of animals kept for farming purposes' shows discrepancies between Food and Veterinary Office (FVO) findings and Member State information. Besides, the considerable differences in Member States' reporting make the interpretation and comparison of the data generally more difficult. Regarding breaches reported by the Member States, 'Record keeping' is one of the categories where there are a high number of non-compliances for almost all farmed species. The main other types of non-compliance found vary depending on the animal species farmed. For calves it was 'freedom of movement', which includes an animal's ability to move around and rules concerning tethering. Problems relating to 'feed, water and other substances' were quite frequent for free-range laying hens, cattle, sheep and goats. The Commission report concludes that a better common understanding of existing animal welfare rules and how they are to be applied and enforced is required. Considering all the limitations of the report, [Eurogroup for Animals](#) calls on the European Council and on the Parliament to request from the Commission a more in-depth analysis of the degree of implementation of Council Directive 98/58/EC, as well as clear proposals on how to address the identified shortcomings at Member State level.

AMR – IFAH-Europe has produced [an infographic](#) highlighting key findings from its first-ever citizens' survey of attitudes to veterinary medicines. Results show a lack of awareness about the benefits, regulation and control of veterinary medicines in Europe, with 60% who did not believe that medicines have a positive impact on the welfare of farm animals and over 70% who did not know that medicines given to farm animals can contribute to make food safer. At the same time, the FAO launched an [Action Plan on AMR](#). In addition to improve awareness of AMR issues among farmers, vets, policymakers and food consumers, the FAO put the emphasis on the need of a global, standardized approach to data used to track the use of antimicrobials in livestock. The UK-government's O'Neill commission [report](#), for instance, found that only 42 countries have such systems in place. Building national capacities in this regard is a priority focus for FAO. The Organization is aiming to help governments put in place national strategies for tackling AMR and AMU in their food and agricultural sectors by mid-2017.

Lumpy Skin Disease (LSD) - A new set of modern EU control and preventive measures to combat Lumpy Skin Disease (LSD) have been endorsed by Member State experts. The new rules contain proportionate movement restrictions for live cattle and other animal products at risk to be infected. New regionalisation rules have been agreed that differentiate between infected and disease free zones with vaccination. During the next months, EU will be gathering all the necessary scientific knowledge, with the support of the new EU reference laboratory located in Belgium, to gain a better understanding of the epidemiology and the control options of this new disease, with a view to further modernising and optimising its regulatory framework also in line with international standards.

African Swine Fever (ASF) - Reviewed EU control measures to combat the spread of African swine fever (ASF) have been reviewed and confirm the interim protective measures for Lithuania and Poland adopted by the Commission earlier on in August and September. They reshape the ASF regionalisation adapting the infected areas under restriction to the current risk. This allows to specifically addressing the most recent cluster of disease outbreaks in domestic pigs which occurred this summer in Poland and that are being brought under control. For more information, please see the [Europa ASF page](#).