

13357/15

(OR. en)

PRESSE 63
PR CO 55

OUTCOME OF THE COUNCIL MEETING

3419th meeting

Environment

Luxembourg, 26 October 2015

President **Carole Dieschbourg**
Luxembourg Minister for the Environment

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

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ITEMS DEBATED

Review of the EU emissions trading system

Environment ministers held their first policy debate on the review of the EU emissions trading system (EU ETS) proposed by the Commission. The debate, which was based on three questions suggested by the presidency, focused on the level of ambition of the proposal, the issue of climate finance, the rules for free allocation, measures to address the risk of carbon leakage and funding mechanisms for innovation and modernisation.

Although many ministers indicated that they did not yet have a firm position on the proposal, delegations broadly welcomed the Commission's proposal as an important step in creating the necessary legislative framework to implement the EU's 2030 greenhouse gas emissions target. The October 2014 European Council agreed on the objective of reducing the EU's emissions domestically by at least 40% by 2030 compared to 1990 levels.

Some member states were in favour of a clearer signal on the use of auctioning revenue for international climate finance while several others stressed that decisions on the use of revenues should be up to member states.

Many ministers agreed on the need to protect the international competitiveness of European energy-intensive industries. Concerning free allocation rules, some member states were concerned that the measures to protect industry against carbon leakage may not be sufficient. Several delegations were of the view that free allocation should be more targeted to ensure support for the sectors that are most exposed to carbon leakage. Several also highlighted the need to use methodology based on real and the most recent data about technological progress, production and other factors. Some ministers called for more harmonised compensation for indirect costs.

Delegations welcomed the proposed innovation and modernisation funds and called for further discussion on details. The extension of the scope of the former was seen as positive by several countries. Among the issues raised were, for instance, the need to ensure transparent and efficient management structures and to ensure geographical balance and member states participation in the selection of projects.

Moreover, it was pointed out that this file is closely linked to other key elements, such as the UN climate change conference in Paris later this year and the future legislative proposal on emissions reductions in non-ETS sectors.

Ministers' contributions will serve as political guidance for the Council to take work forward on this file, with a view to setting the Council's position at a later stage.

[European Council \(23 and 24 October 2014\) - Conclusions](#)

[Commission's proposal for a review of the EU ETS](#)

[Review of the EU ETS - Orientation debate, October 2015 Presidency document](#)

Greening the European Semester

Ministers had an exchange of views on how to ensure that the environmental aspect continues to play a full role in the European Semester process. They specifically discussed the phasing out of environmentally harmful subsidies and the implementation of environmental policies and legislation.

During their exchange of views, ministers agreed on the need to phase out environmentally harmful subsidies and recalled that the EU had repeatedly committed itself to this. Subsidies for fossil fuels and also subsidies in the agriculture and fishing sectors were mentioned. Environmentally harmful subsidies were considered a barrier hindering the transition to a low-carbon circular economy. However, some ministers stressed the need to take into account the social and economic impact of their elimination and asked for transitional periods and a balanced approach. Transparency and communication were considered very important in this process.

There was also general consensus on the need for better implementation of existing legislation and policies in order to achieve high standards of environmental protection and a level playing field, as well as to preserve credibility. Strategic policy discussions in Council on these issues may help to better identify and address implementation challenges and their causes, as well as possible solutions.

Some ministers asked the Commission to include the recently approved Sustainable Development Goals (which replace the Millennium Development Goals) in the Annual Growth Survey for 2016.

Discussions will be summarised in a report for the General Affairs Council with a view to preparing the European Council in March 2016.

[Greening the European Semester - Exchange of views, October 2015 Presidency document, including questions for the debate](#)

2030 Agenda for Sustainable Development

The Council had an exchange of views on how to put into practice the recently adopted 2030 Agenda for Sustainable Development "Transforming our world". Ministers highlighted the importance of policy coherence and coordination between different policies.

It was pointed out that EU priorities are well reflected in the Sustainable Development Goals adopted together with the 2030 agenda. Some ministers stressed the importance of the participation and involvement of various stakeholders, civil society, citizens and the private sector.

This debate followed an informal discussion during lunch with ministers responsible for development cooperation, focusing on common challenges and integrated approaches to implementation.

[2030 Agenda for Sustainable Development - Exchange of views, October 2015 Presidency document, including questions for the debate](#)

[Transforming our world: the 2030 Agenda for Sustainable Development \(UN\)](#)

Any other business

Real driving emissions and manipulation of emission control systems in cars

The Council took note of the information provided by the Commission and the member states on the latest developments concerning the automobile sector and its emission controls. Ministers highlighted the urgency of clarifying the issue of manipulation of control devices and of finalising work needed to implement real driving emission tests.

[RDE and manipulation of emission control systems in cars – Information from Belgium](#)

[RDE and manipulation of emission control systems in cars – Information request by Austria and Denmark, supported by the Netherlands, France, Greece, Slovenian and Luxembourg](#)

Climate change: update on recent key informal events

The Council took note of the information provided by the presidency and the Commission on recent key events in the fight against climate change, in the run-up to the UN climate change conference to be held in Paris from 30 November to 11 December.

[Climate change, update on recent key informal events, October 2015 – Presidency document](#)

“Make it work” initiative

The Council took note of the information provided by the delegations of the Netherlands, the UK and Germany on the “Make it work” initiative and related upcoming events.

[Initiative “Make it work” - Information note](#)

OTHER ITEMS APPROVED

ENVIRONMENT

Persistent organic pollutants

The Council decided not to act on the proposal for a Council regulation ([11591/15 + ADD 1](#)) regarding persistent organic pollutants within the two-month period from the date the proposal was referred to it (i.e. by 27 October 2015).

The proposed Council regulation concerns the inclusion of the substance hexabromocyclododecane (HBCDD) in annex I to regulation (EC) No 850/2004 on persistent organic pollutants. That annex lists the substances subject to prohibitions and must be amended whenever an additional substance is listed in the Stockholm Convention on persistent organic pollutants, as is the case for HBCDD.

The Commission submitted a draft regulation to the relevant committee for the inclusion of that substance in the annex. As the committee did not deliver an opinion on the draft regulation, the Commission submitted the proposal to the Council. As there was no qualified majority in favour of either adopting or opposing the proposed Council regulation, the Council decided not to act within the two-month period from the date the proposal was referred to it.

Now the Commission will submit these measures to the European Parliament for scrutiny. If the Parliament does not object, the Commission shall adopt the proposed measures.

Report on the EU emissions trading system (ETS)

The Council adopted conclusions on the special report from the European Court of Auditors entitled "The integrity and implementation of the EU ETS", which was published on 3 July 2015.

[Council conclusions on ECA report "The integrity and implementation of the EU ETS"](#)

[Special report "The integrity and implementation of the EU ETS" \(ECA\)](#)

ECONOMIC AND FINANCIAL AFFAIRS

OTC derivatives: Clearing obligation

The Council decided not to object to the adoption by the Commission of a regulation supplementing regulation No 648/2012 on OTC derivatives, central counterparties and trade repositories ("EMIR") with regard to regulatory technical standards on the clearing obligation.

The regulation lays down the classes of OTC derivative contracts that are subject to the clearing obligation and four different categories of counterparties for which different phase-in periods apply.

The regulation is a delegated act pursuant to article 290 of the Treaty on the Functioning of the EU. It can now enter into force, unless the European Parliament objects.

TRADE POLICY

WTO waiver: African Growth and Opportunity Act

The Council adopted a decision establishing the EU's position within the General Council of the WTO as supporting the United States' request to waive until 30 September 2025 some of its obligations under the General Agreement on Tariffs and Trade so as to be able to continue providing duty-free treatment to eligible products originating in beneficiary sub-Saharan African countries designated pursuant to the African Growth and Opportunity Act.

Generalised tariff preferences: graduation thresholds

The Council decided not to object to a Commission regulation amending the graduation thresholds for tariff preferences of the generalised scheme of tariff preferences (GSP) as of 1 January 2015, when China, Thailand, the Maldives and Ecuador were removed from the list of GSP beneficiaries.

Under article 8(1) of regulation No 978/2012 applying a GSP, the tariff preferences must be suspended, in respect of products of a GSP section originating in a GSP beneficiary country, when the average value of EU imports of such products over three consecutive years from that GSP beneficiary country exceeds the thresholds listed in annex VI. The regulation empowers the Commission to adjust the thresholds when the list of GSP beneficiaries is amended.

The regulation is a delegated act pursuant to article 290 of the Treaty on the Functioning of the EU. This means that now that the Council has given its consent, the act can enter into force, unless the European Parliament objects to it.

Generalised tariff preferences: Fiji, Georgia, Iraq, Marshall Islands, Samoa and Tonga

The Council decided not to object to a Commission regulation removing Fiji, Iraq, Marshall Islands, and Tonga from the list of beneficiary countries of the GSP as of 1 January 2017.

The regulation also removes Georgia from the list of beneficiary countries of the GSP+ as of 1 January 2017 and Samoa from the list of EBA beneficiary countries as of 1 January 2019.

This amends annexes II, III and IV of regulation No 978/2012 applying a scheme of generalised tariff preferences.

The regulation is a delegated act pursuant to article 290 of the Treaty on the Functioning of the EU. The act can now enter into force, unless the European Parliament objects.

TAXATION

Automatic exchange of tax data - Liechtenstein

The Council adopted a decision authorising the signing of an agreement with Liechtenstein on the automatic exchange of financial account information starting in 2017.

It upgrades a 2004 agreement that ensured that Liechtenstein applied measures equivalent to those in an EU directive on the taxation of savings income in the form of interest payments.

The Council also included a statement in an annex to the minutes of the meeting.

EU- Liechtenstein agreement on the automatic exchange of financial account information
[*\(11798/15\)*](#)

Statement by member states relating to the EU-Liechtenstein agreement ([*13245/15*](#))

JUSTICE AND HOME AFFAIRS

Visa Information System

The Council adopted an implementing decision ([10506/15](#)) fixing the date of effect of decision 2008/633/JHA concerning access for consultation of the Visa Information System (VIS) by designated authorities of member states and by Europol for the purposes of the prevention, detection and investigation of terrorist offences and of other serious criminal offences.

Visa waiver agreements

The Council adopted a decision on the signing and provisional application of the agreements between the European Union and the Republic of Palau, the Kingdom of Tonga, the Republic of Kiribati and the Republic of Colombia on the short-stay visa waiver. According to the decision, the agreements will be provisionally applicable from its scheduled date of signature.

The Council also decided to forward the draft decision on the conclusion of the agreements to the European Parliament for its consent once the agreement has been duly signed.

AGRICULTURE

Official controls in the food chain - Adoption of the Council position

The Council confirmed an agreement reached in the Permanent Representatives Committee (Coreper) on a general approach at first reading on a proposal for a regulation on official controls and other official activities performed to ensure the application of food and feed law, rules on animal health and welfare, plant health, plant reproductive material, plant protection products (official controls regulation) ([13209/15](#)).

The aim of the proposal is to simplify and streamline the existing legal framework on official controls (regulation No 882/2004) and to establish a unique set of rules applicable to all sectors in order to improve the efficiency of official controls performed by the member states along the food chain while minimising the burden for operators.

A general approach is a political agreement on the position of the Council on a proposal for a regulation in the framework of the ordinary legislative procedure (co-decision). The agreement on the official controls regulation will make it possible to launch negotiations between the Parliament and the Council with a view to reaching a political agreement between the EU institutions. The European Parliament approved its position on 15 April 2015.

FISHERIES

Amendment to fishing opportunities 2015 - herring, plaice and sprat

The Council adopted an amendment to regulation No 2015/104 as regards certain fishing opportunities for 2015 ([12878/15](#)).

Regulation No 2015/104 fixes for 2015 the fishing opportunities for certain fish stocks for EU vessels in Union waters and certain non-Union waters. On the basis of the most recent scientific advice from the International Council for the Exploration of the Sea (ICES), the amendment establishes:

- a derogation from the obligation to count catches against the relevant quotas for herring in ICES division IIIa considering that this stock is within safe biological limits;
- a limited increase of the 2015 total allowable catch (TAC) for herring in ICES divisions VIIg, VIIh, VIIj and VIIk;
- an increase in the TAC for plaice in ICES division VIId, which would reduce discards;
- an increase in the TAC for sprat in Union waters of ICES division IIa and ICES subarea IV to optimise harvesting of that stock;
- an extension of the current TAC for Norway pout in ICES division IIIa and Union waters of division IIa and subarea IV pending ICES advice on this stock;
- an increase in the fishing of redfish in Norwegian waters of ICES subareas I and II following a transfer from Norway.

TELECOMMUNICATIONS

World Radiocommunication Conference

The Council adopted conclusions on the World Radiocommunication Conference 2015 (WRC-15) of the International Telecommunication Union (ITU). The conclusions set out common policy objectives to be pursued by the member states at the conference.

The WRC-15 will be held in Geneva from 2 to 27 November 2015.

TRANSPARENCY

Transparency - Public access to documents

On 26 October 2015, the Council approved:

- the reply to confirmatory application No 21/c/01/15 ([12221/15](#)).
