

Animal health – EU institutions reached a deal on the proposal for an animal health regulation, which streamlines a great number of legal acts into a single law. The Regulation does not provide rules on EU financial contribution (available under Regulation 652/2014) but establishes a framework with key principles and responsibilities for all players. The focus is on the control and prevention of transmissible animal diseases, through e.g. the recognition of emerging issues such as antimicrobial resistance. The link between animal health and animal welfare is recognised (a strong push from the EP rapporteur). Diseases subject to specific rules are listed in Annex to the Regulation and assigned different sets of measures based on their importance and impacts. The initial list includes those diseases which currently qualify for EU funding but it will be revised by the Commission at a later stage. The regulation is expected to be formally adopted before the end of 2015, after various institutional procedures are undertaken, and it will become applicable five years after its entry into force. The law will be complemented by a set of more detailed rules to be adopted by the Commission through implementing and delegated acts. At the Council, the UK said it could not sign up to the deal due to concerns over the use of delegated acts by the Commission to establish technical details such as the list of notifiable diseases.

TSE - The Commission has published a report on the monitoring and testing of ruminants for the presence of TSEs in the EU in 2013. Among the 3,135,958 bovine animals tested in the EU, 7 animals turned out positive. The 7 BSE cases were found in France, Ireland, Poland and the United Kingdom. Overall the number of cases and the prevalence in tested animals of BSE dropped by 61% and 42% respectively in the EU in 2013 compared to 2012. As far as ovine animals are concerned, prevalence in tested animals not slaughtered for human consumption (risk animals, mainly fallen stock) used to be significantly higher than in healthy slaughtered animals in the past. In 2013 the prevalence in the group slaughtered for human consumption is however higher than in the group not slaughtered for human consumption, both in sheep and goats. Atypical TSE cases account quite consistently, year after year, for a large majority (if not 100%) of the TSE cases in some Member States, e.g. in sheep in Denmark, Hungary, Poland etc. In some other Member States, such as France and UK (except for 2011 and 2013), the proportion of atypical TSE cases has been steadily growing since 2004, passing from a small share to a large majority of the TSE cases. These results should however be interpreted with caution as the monitoring requirements have changed during this period and the testing and sampling methods have an influence on the detection of atypical cases.

Irish BSE case - Irish authorities confirmed an isolated case of classical BSE in a single animal - a Rotbunt female, born in 2010 and 65 months old at the time of its death. The animal was born, reared and spent its entire life on the same farm. Authorities confirmed that all animals potentially exposed to the BSE agent – those born and reared on the birth-farm one year either side of the birth date of the positive animal, and her progeny - have been slaughtered, excluded from the food and feed chains, and tested negative. Both the dam and grand dam of the infected animal also tested negative for BSE at slaughter; vertical transmission is therefore not considered to be a factor. The Irish government also stresses that the integrity of the commercial feed supply chain and the effectiveness of the feed control systems are not compromised. The OIE is expected to reassign controlled risk status to Ireland, which had just recently been recognised as a country with negligible risk for BSE.

Slaughter - DG SANTE released a study_on information to consumers on the stunning of animals. This study was planned under the Animal Welfare Action Plan 2012-2015, and consists of a consumer survey and a collection of opinions from key stakeholders in the meat industry. It finds that information on stunning is not spontaneously mentioned as a criterion for buying meat; only when directly asked did respondents (72%) indicated interest in receiving information on stunning of animals at slaughter. It is not clear whether consumers would act on this information though, as there is little accurate consumer understanding of the slaughter process. The consultants conclude that labelling fresh meat from both stunned and non-stunned animals would not have a long-term impact on demand. This study is unlikely to

result in any action from the Commission given its lack of straightforward conclusions, and the possible consequences regarding the religious minorities concerned.

Cloning – Agriculture and environment MEPs adopted a report on the Commission's proposal for a Directive on the cloning of farm animals. The committees' text changes the form of the legal act from a directive, which EU countries would have had to transpose into their national laws, into a regulation, which would apply directly in all of them. They call for a ban on the cloning of all species of farm animals, their reproductive material, their descendants and any products derived thereof. They also ask that import from third countries of animal clones or their descendants, animal reproductive material, and food and feed of animal origin deriving from animal clones or their descendants are made illegal. Their report will be put to a vote at the September plenary.

Food waste - The EU Commission has opened a public consultation on the main policy options for developing a revised "Circular Economy" proposal. It will look at waste and recycling policy and address the full product lifecycle, aiming to minimise waste and resource use. Following the results of the consultation, the Commission aims to present a new strategy late this year. It will comprise a revised legislative proposal on waste (The previous plan included the target of cutting food waste by 30% by 2025) and a Communication setting out an action plan on the circular economy.

Emissions - Agriculture MEPs adopted an opinion on the Commission's proposal for a review of the National Emissions Ceilings Directive. The proposal includes targets for EU ammonia and methane emissions reduction of 27% and 33% respectively (21% and 41% for the UK), by 2030 in comparison with 2005. MEPs ask to leave methane out of the scope of the Directive, since it is a GHG already covered under the EU Climate and Energy framework. They also call on the Commission to table revised and achievable targets for ammonia reduction. Those demands will feed into the report drafted by Julie Girling MEP who is the COMENVI rapporteur for this file. The Parliament as a whole is expected to vote on the report in September. As for the Council, EU environment Ministers meeting this month expressed concerns about the impact on agriculture of currently proposed emission limits. They echoed the requests of the COMAGRI. Once both Parliament and Council have adopted their respective positions, negotiations will start between the two institutions.

EU food supply chain – A recent <u>EU brief</u> shows that the food processing industry is the biggest branch of the EU industry, representing about 13% of total industrial GVA and about 15% of total employment in this economic sector in 2011. A large majority of persons and businesses involved in the food chain are however engaged in agriculture, which accounts for about 80% of all holdings and more than 50% of those employed in the food chain. While the largest number of businesses is involved in agriculture, the share of value added belonging to agriculture in the whole food chain remains at about 25%. EU figures also highlight that food and beverages spending (14% in 2013) is the second biggest expense of the household budget after housing. Considering the importance of the industry, the Commission made the decision to renew the mandate of the High level Forum for a better functioning food supply chain, so that discussions could continue on key issues such as food prices, B2B trading practices, innovation, sustainability and the social dimension of the food sector. The first meeting of the new forum is expected to take place in autumn.

Rural Development Programmes - The Commission has adopted a Delegated Regulation allowing Member States increased flexibility to use their Rural Development budget commitments for the 2007-2013 Rural Development Programmes (RDPs). Under EU rules, any RD funds committed in 2013 need to be spent by the end of 2015. As some Member States have seen a lower take-up of some programmes than expected, the new regulation provides more flexibility for transferring unspent funds between the different areas of RDP spending (5% of the total RD budget to be transferred between axes of an RDP rather than the current 3% limit). It also foresees the extension of the deadline by which Member States can present amendments to their RD programmes until 30 September, instead of the existing August 31 deadline. The text of the Regulation is now submitted to the scrutiny procedure by the EU Parliament and the Council.