



The primary purpose of the House of Lords European Union Select Committee is to scrutinise EU law in draft before the Government take a position on it in the EU Council of Ministers. This scrutiny is frequently carried out through correspondence with Ministers. Such correspondence, including Ministerial replies and other materials, is published where appropriate.

This edition includes correspondence from 31 March 2015 – 10 July 2015

AGRICULTURE, FISHERIES, ENVIRONMENT AND ENERGY

(EU ENERGY AND ENVIRONMENT SUB-COMMITTEE)

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AGRICULTURE AND FISHERIES COUNCIL: 20 APRIL 2015 (UNNUMBERED)

Letter from Lord de Mauley, Parliamentary Under-Secretary of State, Department for Environment, Food and Rural Affairs, to the Chairman

I am writing to inform you of the Agriculture and Fisheries Council taking place in Luxembourg on 20 April which I will attend in representation of the UK. Richard Lochhead MSP and Rebecca Evans AM will also attend.

There are both agriculture and fisheries items on the agenda.

On agriculture, adoption of the draft Council conclusions on the position to be taken by the EU and its Member States at the 11th session of the United Nations Forum on Forests is expected. On fisheries, the Council will aim to reach a general approach on the proposal for a Regulation establishing a multiannual plan for the stocks of cod, herring and sprat in the Baltic Sea and the fisheries exploiting those stocks.

There are currently three Any Other Business items: EXPO Milano 2015, co-operation between the Commission and EIB in agriculture and rural development, and country of origin labelling for dairy products and certain types of meat, unprocessed food and single ingredient products.

16 April 2015

Letter from Lord de Mauley to the Chairman

I represented the UK at the EU Agriculture and Fisheries Council on 20 April in Luxembourg. Richard Lochhead MSP and Rebecca Evans AM also attended.

The Council agreed a full General Approach on a Multi-Annual Plan for the stocks of cod, herring and sprat in the Baltic Sea and the fisheries exploiting those stocks. This is a significant step forward in the implementation of Common Fisheries Policy reform and a further welcome move away from a Brussels centred approach.

Significantly, the plan includes medium-term fishing mortality targets, in the form of Maximum Sustainable Yield ranges, within which Fisheries Council will set specific annual quotas. This is in line with the recommendations of last year's EU Inter-institutional task force on multi-annual plans and provides a firm basis for the Presidency to finalise the Baltic plan through trilogue with the European Parliament. The decision also paves the way for the adoption of a North Sea Plan, in which the UK has a direct interest.

The Council unanimously agreed Council conclusions in preparation for the 11th Session of the United Nations Forum on Forests.

The Commission apologised for the delay in presenting its reports on the mandatory indication of the country of origin or place of provenance of milk and dairy products and of certain types of meat, unprocessed food and single ingredients products. I pressed the Commission to bring forward these reports as soon as possible and highlighted the need for flexibility for the use of terms such as "made in Scotland".

Commissioner Hogan and European Investment Bank Vice-Presidency Wilhelm Molterer explained the joint work they had been doing to develop financial instruments for the agriculture sector.

Lastly, the Italian delegation gave a presentation on the Milan Expo which is taking place from 1 May until 31 October 2015.

28 April 2015

ANIMAL HEALTH (9468/13)

Letter from George Eustice MP, Parliamentary Under Secretary of State for Farming, Food and Marine Environment, Department for Environment, Food and Rural Affairs, to the Chairman

In January this year the Committee granted scrutiny clearance for the EU Animal Health Regulation and I agreed to keep the Committee updated on significant developments on the dossier.

The aim of the Regulation is to set a legal basis for a common EU animal health policy and a single, simplified, transparent, flexible and clear regulatory framework for animal health. It places emphasis on disease prevention in line with the vision set out in the EU Animal Health Strategy. The Regulation forms part of the EU Smarter Rules for Safer Food package, which also includes live proposals on Official Controls and Plant Health, on which you'll be receiving separate updates.

When I last wrote to you, the trilogue between the Council, Commission and European Parliament had just begun. I was broadly satisfied with the agreed Council text and expected to vote in support of the Regulation at the Council of Ministers in April provided that no significant changes were made during the trilogue process. Trilogue took longer than the Latvian Presidency originally anticipated and finally concluded on 10 June with a provisional political agreement reached. A vote at Council of Ministers has not yet taken place and is now not expected until the autumn. Shortly after this vote, we expect the Regulation to be published in the Official Journal but it will only come into force after a period of five years. This will give the Commission three years to make the tertiary legislation which will provide much of the technical detail required once large numbers of EU instruments are repealed in 2020. Then the UK and all other Member States will have the remaining two years to review and revise their existing domestic legislation in all these areas.

Much of the agreed Council text remains unchanged and contains a number of welcome outcomes, which we have worked hard to secure:

- The Regulation will still deliver greater regulatory simplicity by focusing on outcomes rather than process and it contains flexibility to manage disease threats appropriately according to risk, evidence and science.
- It should, along with the Official Controls Regulation, also provide opportunities for earned recognition.

- An appropriate transition period has been retained, including a period of three years to negotiate tertiary legislation and a further two years for Member States' domestic implementation.
- In spite of pressure from the European Parliament to widen the scope, a tight focus on animal health remains, with issues such as anti-microbial resistance and animal welfare, covered by separate legislative initiatives; the requirement to consider impacts on biodiversity before imposing disease control measures has also been strengthened.

A few unexpected policy issues emerged late in the trilogue discussions. Two of these issues, on pets and equine identification, did not cross red lines as agreed with the Committee and there is potential to solve them later when the detailed tertiary legislation is negotiated.

The third issue did, however, cross a red line. This entails a change to the way in which the disease listing is handled. I was satisfied with the original Council position on this, as it would allow flexibility by listing only five key diseases in the Regulation itself and the rest in an Implementing Act, with details to be determined by the European Commission with input from Member States' experts. Scrutiny Committee granted clearance based on this approach.

The European Parliament, having conceded on a large number of other points, was unable to agree to this solution. The compromise which emerged was to contain the list of diseases in an Annex to the Regulation, amended or supplemented by Delegated Act. The consequences of this are primarily procedural but mean the European Parliament will now have some influence over the content of the disease list and any subsequent changes to it. This fundamentally goes against the government position that technical matters should be determined by experts. The approach won't however impact our ability to react quickly to new or emerging diseases, for which there are separate provisions and the list will still be reviewed during the transition phase (and whenever new scientific evidence comes to light).

When the Latvian Presidency sought a mandate from Coreper at the end of April to agree to this approach, the UK therefore voted against. Four other Member States (Slovenia, Germany, Sweden and Austria) also voted against. Despite this, a blocking minority was not secured, the revised mandate was issued and agreement was subsequently reached with the Commission and the European Parliament. The UK maintained its position in a final Coreper vote on 10 June, but again was in the minority (with only Austria joined us in voting against this time, Slovenia abstained and all other Member States supported); the content of the Regulation was therefore agreed.

Although there was no vote at Council of Ministers on 16 June, I made a statement when the Regulation came up under 'Any Other Business' clarifying the UK position and expressing disappointment around the changes to disease listing. A final vote for approval is expected in the autumn at which I will maintain the UK position by voting against.

We continue to plan for the implementation of the Regulation following this vote, including how we will ensure that our negotiating principles are adhered to when the detailed tertiary legislation is developed and will keep the Committee updated as the implementation phase progresses.

7 July 2015

COMMON CUSTOMS TARIFF DUTIES ON CERTAIN INDUSTRIAL, AGRICULTURAL AND FISHERY PRODUCTS (15797/14)

Letter from Lord Livingstone of Parkhead, Minister of State for Trade and Investment, Department for Business, Innovation and Skills, to the Chairman

I am writing to inform you that these two proposals for updating the suspension on duties on imports of raw materials and components either not made in the EU or not made in sufficient quantities to meet the needs of EU manufacturers may be brought to Council for approval shortly.

The EU duty suspensions and quotas regime removes import duties on manufacturing raw materials and components that are not made in the EU. Decisions to remove import duty are made in response

to requests from EU manufacturers in order to help them remain competitive, maintaining manufacturing jobs in the EU.

The proposed regulations update the current list of products covered by tariff suspensions and quotas. A range of new raw materials and components have been added that EU manufacturers need that are not made in the EU or not made in sufficient quantities to meet the demands of EU industry. Some raw materials have been deleted where the industrial situation has changed either because they are no longer needed (due to technology advances for example) or there is now sufficient manufacturing of the components to meet the demands of EU industry.

Proposals for legislation regulating autonomous tariff quotas have been made routinely every six months for a number of years. No new legislation is required to implement the legislation and there are no new policy implications. UK industry was fully consulted about the proposed changes, some of which were requested by UK manufacturers.

6 May 2015

CONSULTATION ON THE FISHING OPPORTUNITIES FOR 2016 UNDER THE COMMON FISHERIES POLICY (9341/15)

Letter from George Eustice MP, Parliamentary Under Secretary of State for Farming, Food and Marine Environment, Department for Environment, Food and Rural Affairs, to the Chairman

Thank you for your explanatory memorandum (EM) of 12 June 2015, which was considered by the EU Energy and Environment Sub-Committee at its meeting on 8 July 2015.

We welcome your positive comments on the progress that has already been made in the overall improvement in the state of fish resources. We note that several Member States recalled the importance of setting up multiannual plans with a multispecies approach for fish stocks at the Agriculture and Fisheries Council last month and we share your support for this approach.

Ahead of the introduction of the demersal landing obligation (DLO) in January 2016, we note your Department's position that changes need to be made to the current fisheries management regime in five key areas of fisheries management: phasing; quota management; regionalisation; on shore management and monitoring and enforcement. Specifically on regionalisation:

"Under the regional groups the Government has a role in ensuring scientifically robust exemptions are secured for the benefit of the English fleet, to avoid disproportionate costs from the implementation of the landing obligation."

In the light of the fact that regionalisation features prominently in the reformed CFP at an EU-wide level, we would be interested to learn how the regionalisation process, which results in decisions being made that are more appropriate to the regional fishery, is being carried out here in the UK to avoid those disproportionate costs.

As you will know, demersal fisheries are more prone to catching a higher proportion of mixed species than pelagic fisheries and so the use of selective gear can be important in helping to minimise unwanted catch. We would appreciate information on what support is being made available for fisheries which may be disproportionately affected by the DLO to purchase more selective gear or adapt existing vessels in other ways.

We note the specific suggestions set out by the Commission as to how TACs should be formulated for DLO species. We would welcome your comments on: the expected timing of publication of regional discard plans in order that they can be taken into account in the scientific advice for 2016 TACs; the process for setting TACs for DLO species in mixed fisheries; and the process for setting TACs where scientific information on historic levels of discards is low.

On the subject of Maximum Sustainable Yield (MSY), and noting that the Commission's point that the only relevant factor for not meeting MSY in 2016 would be if it led to "very large annual reductions of fishing opportunities that would seriously jeopardise the social and economic sustainability of the

fleets”, to what extent do you believe that fishing at or above MSY in the long-term encourages sustainability?

We note that you did not refer to sea bass management in your Explanatory Memorandum. Nevertheless, the Commission indicates that it will propose measures for the sustainable management of that stock in the context of a proposal for a western waters multiannual plan. Could you tell us how you are working with the Commission on the development of measures for the sustainable management of the stock?

We will retain the Communication under scrutiny and look forward to your response within 10 working days.

8 July 2015

ENERGY DIPLOMACY ACTION PLAN (UNNUMBERED)

Letter from David Lidington MP, Minister for Europe, Foreign and Commonwealth Office, to the Chairman

I am writing to inform you of the ‘Energy Diplomacy Action Plan’: a working document produced by the European External Action Service (EEAS) for consideration by EU Member States.

The Plan proposes EU foreign policy measures and actions in follow up to the Commission’s ‘Energy Union’ Communication of February 2015, submitted to the Scrutiny Committees on 12 March, and March 2015 European Council conclusions on ‘using all external policy instruments to establish strategic energy partnerships with increasingly important producing and transit countries, notably with a view to promoting energy security, while ensuring that the sovereignty and sovereign rights of Member States to explore and develop their natural resources are safeguarded”.

As you will be aware, the UK has supported the EU’s “Energy Union” strategy to improve the security, competitiveness and sustainability of European energy supplies, and to reduce dependence on Russian gas. At the June Foreign Affairs Council, the Foreign Secretary reaffirmed the importance of completing the single market in energy as a priority, which would increase EU credibility when acting externally. There is much in the EEAS’s Plan that could help to improve the co-ordination of collective foreign policy resource in support of EU energy goals. This includes:

- Work to enhance existing and establish new energy cooperation and dialogues with important energy producing states, transit states or regions, and key global and regional strategic players and partners;
- Prioritising partners and initiatives crucial to EU efforts to strengthen the diversification of EU energy sources, supplies and routes;
- Creating business opportunities in third countries by raising awareness of the EU’s leadership in energy technologies.

There are also strong links to existing work on climate diplomacy ahead of COP 21 in Paris later this year.

While supporting further cooperation in areas that will add value, the UK will continue to work to ensure that developments in this area do not change the balance of competence between Member States and the EU on energy issues. We will also stress the importance of making the most effective use of existing EU foreign policy resources.

Whilst discussions are ongoing between member states and the EEAS about this, I wanted to outline our approach and assure you we will remain alive to any potential future scrutiny implications.

1 July 2015

EU AGRICULTURE AND FISHERIES COUNCIL: 11 MAY 2015 (UNNUMBERED)

Letter from George Eustice MP, Parliamentary Under Secretary of State for Farming, Food and Marine Environment, Department for Environment, Food and Rural Affairs, to the Chairman

I am writing to inform you of the EU Agriculture and Fisheries Council taking place in Brussels on 11 May at which the UK will be represented.

There are only agriculture items on the agenda.

The Presidency will aim to secure a general approach on the proposal for a Regulation on organic production and labelling of organic products. The Council will then be asked to agree draft Council conclusions on the simplification of the Common Agricultural Policy.

There is currently one Any Other Business item on an initiative to declare 20 May as World Bee Day.
5 May 2015

Letter from George Eustice MP to the Chairman

Lord de Mauley represented the UK at the EU Agriculture and Fisheries Council on 11 May in Brussels. Richard Lochhead MSP also attended.

ORGANIC PRODUCTION AND LABELLING OF ORGANIC PRODUCTS

The Council began with a discussion on the proposal for a Regulation on organic production and labelling of organic products. Member States were divided over key issues including the official checks that are undertaken to ensure that businesses are abiding by the organic rules and action to be taken when residues of unauthorised substances are found on products. Lord de Mauley underlined that the UK could not agree to the Commission's preferred approach on unauthorised substances which included a decertification threshold as it would be complex to implement and a burden on business. During the Minister only lunch, the Presidency and the French delegation each put forward amended proposals however the Council failed to agree a general approach. The Presidency concluded that it would revisit the issue at the June Council.

SIMPLIFICATION OF THE COMMON AGRICULTURAL POLICY (CAP)

Commissioner Hogan opened the session on the simplification of the CAP by announcing changes to Commission Guidelines on Direct Payments which included some important UK demands on the rules and mapping requirements of Ecological Focus Areas. Member States then unanimously agreed Council conclusions on the simplification of the CAP. However, Lord de Mauley, along with some other Member States, called for more ambitious action from the Commission. The Commissioner confirmed that he would present a further package of simplification measures in the autumn, of which further details would be shared with Member States' experts on 20 May.

ANY OTHER BUSINESS

WORLD BEE DAY

A majority of Member States, including the UK, supported the Slovenian suggestion to propose to the United Nations that 20 May should be declared World Bee Day to promote the important role bees play in sustainable agriculture through pollination.

PIG WELFARE

The Danish Minister, supported by Germany, the Netherlands and Sweden, called for the Commission to amend the Pig Welfare Directive in light of scientific developments. France and a number of other Member States argued that the Commission should focus on enforcing current legislation before proposing new measures. The Commission agreed and stated that it was considering updating the EU Animal Welfare Strategy which will expire at the end of the year.

RURAL DEVELOPMENT EXPENDITURE

Bulgaria, supported by a number of Member States, called on the Commission to extend the deadline for eligibility of payments under 2007-2013 programmes for an additional six months until mid-2016. Commissioner Hogan stated that the Commission was still considering this option and would provide an update in due course.

20 May 2015

EU ENERGY COUNCIL, LUXEMBOURG, 8 JUNE (UNNUMBERED)

Letter from Andrea Leadsom MP, Secretary of State, Department of Energy and Climate Change, to the Chairman

I am pleased to enclose [not printed] a copy of my written statement to Parliament outlining the discussions we expect at the Energy Council in Luxembourg on 8 June.

31 May 2015

Letter from Andrea Leadsom MP to the Chairman

I am pleased to enclose [not printed] a copy of my written statement to Parliament summarising discussions at the Energy Council in Luxembourg on 8 June.

11 June 2015

FISHERIES: DISCARDS AND TECHNICAL CONSERVATION (18021/13)

Letter from George Eustice MP, Parliamentary Under Secretary of State for Farming, Food and Marine Environment, Department for Environment, Food and Rural Affairs, to the Chairman

I am pleased to report that the above proposal, following political agreement, has completed the adoption process and has now been published (Regulation (EU) 2015/812 of the European Parliament and of the Council of 20 May 2015¹).

As you will recall the intention of this regulation is to remove or adapt provisions in the current EU technical and control fisheries legislation that are inconsistent with the principle and application of the landing obligation. This is a holding strategy – a ‘quick fix’ – to enable attention to be given to a complete overhaul of the relevant fisheries legislation, beginning with the technical conservation measures.

As this is the first formal update this year, I note that you had previously asked why the catch composition rules were retained. These rules are, of course, inherently inconsistent with the landing obligation, albeit with the compromise now introduced to ensure that the elements of ‘unintended’ catches subject to the landing obligation and exceeding the stipulated percentages must be landed and counted against quota. The reasoning for retaining the catch composition principle at all, however, reflects the core structure of the current legislative arrangements – which works on the basis of a number of mesh size ranges linked to the expected catch composition for each in relation to the target species. Removing the catch composition specifications completely would undermine the basis of being able to regulate or monitor catches in relation to which mesh size range is in use.

I attach [not printed] an analysis table which begins with an overview of the salient features of this amending regulation, before moving on to more detailed analysis by amended Regulation and article.

¹ <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32015R0812&from=EN>

We now need the overhaul, to move to a new management model which focuses on the 'outputs' – the actual catches at sea – rather than the current 'inputs' model of technical specifications. This will enable fishermen to determine how best to operate in accordance with their available catch limits.

The European Commission completed its public consultation for this overhaul last year, and has been carrying out some additional preparatory work on regionalised structure and principles at EU fisheries director and official level. We anticipate a proposal being brought forward probably early next year, which may be likely to take two years to develop and reach agreement.

30 June 2015

Letter from the Chairman to George Eustice MP

Thank you for your letter of 30 June 2015, which was considered by the EU Energy and Environment Sub-Committee at its meeting on 8 July 2015.

We note that work has begun on the longer term overhaul of the technical measures Regulation, which will eventually oversee the recently agreed quick fix.

We are now content to close this strand of correspondence.

8 July 2015

EUROPEAN COURT OF AUDITORS' SPECIAL REPORT NO.5/2015 - ARE FINANCIAL INSTRUMENTS A SUCCESSFUL AND PROMISING TOOL IN THE RURAL DEVELOPMENT AREA? (UNNUMBERED)

Letter from the Chairman to George Eustice MP, Parliamentary Under Secretary of State for Farming, Food and Marine Environment, Department for Environment, Food and Rural Affairs

Thank you for your explanatory memorandum (EM) of 3 June 2015, which was considered by the EU Energy and Environment Sub-Committee at its meeting on 24 June 2015.

You note that financial instruments could be used in the 2014–20 programming period, and that UK authorities intend to consider the possibility of including them in Rural Development Programmes (RDPs). In doing so, the recommendations made by the ECA will be considered. Given the advanced stage of RDPs, it would be helpful if you could explain the factors that will enter into these considerations, and tell us when they are likely to be concluded.

Given the distinct approaches of the Devolved Administrations to rural development, we would also welcome further detail on their views on this report. We understand that loans to young farmers may have featured in previous Welsh and Scottish RDPs.

The Report was released from scrutiny in the Chairman's sift.

We look forward to a reply to this letter within ten working days.

24 June 2015

Letter from George Eustice MP to the Chairman

Thank you for your letter of 24 June about our Explanatory Memorandum on financial instruments in the rural development area.

Each part of the UK has a separate Rural Development Programme. I will therefore cover each separately.

By way of setting some further context, since the Explanatory Memorandum the Commission has re-emphasised its desire to see a greater use of financial instruments within Member States' 2014-2020 Rural Development Programmes.

ENGLAND

In England we are actively considering the introduction of financial instruments in the new Programme. Elizabeth Truss has recently discussed with Commissioner Hogan the potential for this.

We will shortly conduct an assessment of the rationale for introducing such mechanisms to determine where loans might be most useful in the farming sector. The main factors we will need to take into account include:

- The need to establish the rationale for financial instruments and whether there is a specific market failure;
- The impact on existing plans for the use of Rural Development Programme money;
- The practical arrangements for managing financial instruments.

The process of evaluating, designing, and gaining formal Commission approval for the use of financial instruments as part of the programme would take around 12 months in total. In practice we would be unlikely to see any new loan schemes before 2017.

SCOTLAND

The Scottish Rural Development Programme (SRDP) 2014 – 2020 was approved by the European Commission on 26 May 2015. The Scottish Government is attracted to developing Financial Instruments as it could help facilitate investments in priority areas. However in taking this forward the Scottish Government will take care to address the issues set out in the ECA report to allow for maximum chance of success and impact.

If the Scottish Government does choose to introduce a Financial Instrument this would only be after an assessment to appraise the rationale for such instruments was carried out, in accordance with European regulations, and would require a modification of the approved programme.

The Scottish Government confirms that no loans were made available to young farmers as a measure of the previous SRDP, although it did make available interest relief for young farmers.

WALES

The Welsh Government included Financial Instruments in their consultations and received a positive response from stakeholders to combine them with traditional grants. The Welsh Rural Development Programme 2014 – 2020 was approved by the European Commission on 26 May 2015.

The Welsh Government will begin to tender for an ex-ante evaluation to test whether there is a convincing case of need, whilst also ensuring there is no overlap on existing provisions, either in the marketplace or elsewhere in Government. The earliest possible implementation would be 2017.

The Welsh Government confirms that no loans were made available to young farmers in its 2007 - 2013 Programme.

NORTHERN IRELAND

Northern Ireland's position mirrors that of Wales and Scotland. Following recent activity on Financial Instruments the Northern Ireland Executive is now considering undertaking an assessment to evaluate the rationale for such mechanisms. It would not expect Financial Instruments to be introduced into the programme until 2017.

3 July 2015

FISHING OPPORTUNITIES (8845/15)

Letter from George Eustice MP, Parliamentary Under Secretary of State for Farming, Food and Marine Environment, Department for Environment, Food and Rural Affairs, to the Chairman

Congratulations on your recent reappointment as Chair of the Select Committee on the EU.

I am writing this letter in parallel with the Explanatory Memorandum with the above title to explain the UK voting intentions when this in year amendment proposal moves to political agreement. This will take place this week which, I am conscious will not give you enough time for consideration so, in effect this will be an override of the scrutiny reservation in these circumstances.

As the UK position has been to advocate the interim measures for bass, I feel we need to vote in favour of the proposal, if the final version for agreement is in line with UK priorities. I know that both Committees have been supportive of the UK position in these negotiations to establish an interim management approach at EU level. I will therefore need to keep the voting options open to be able to react appropriately to the developing negotiations. I trust you will agree that an abstention would not serve the UK's interests. I will however report in full on how the UK votes, and the outcome of these negotiations.

9 June 2015

INFORMAL ENVIRONMENT AND ENERGY COUNCIL, RIGA 14-16 APRIL 2015 (UNNUMBERED)

Letter from Baroness Verma of Leicester, Parliamentary Under Secretary of State, Department of Energy and Climate Change, to the Chairman

I am writing to update you on discussions at the Informal Environment and Energy Council held under the Latvian Presidency in Riga from 14-16 April, where I represented the UK for the sessions covering climate change and energy.

The Environment Council took stock of progress towards reaching an ambitious, legally binding agreement at the climate change negotiations in Paris in December. I stressed the need for the new deal to be rules-based and legally binding and to include a mechanism for increasing ambition in the future; and for the EU to prepare options for how it might, in the context of a comprehensive global deal, increase its commitment beyond the 40% emissions reduction target agreed at the European Council last October. Other Member States also spoke about the importance of getting a robust deal in Paris, and exchanged views on how Heads of State and Government might be involved in securing such an outcome. They also discussed whether the June Environment Council should adopt conclusions on the Paris conference, though the meeting did not reach a final decision on this issue.

At a joint session of the Environment and Energy Council, we considered the interaction between our policy objectives to increase use of renewable energy on the one hand and protect biodiversity on the other and the best means of delivering these objectives in a mutually supportive manner. I noted the importance of understanding these linkages and highlighted research being undertaken by Defra to improve this understanding through research into the integration of low carbon energy and biodiversity policies as well as work funded by Defra and DECC to fill significant gaps in knowledge about the sustainability of different mixes of energy supply and demand options needed to deliver our 2050 greenhouse gas emissions targets. Other Member States gave examples of where biodiversity was a particularly important consideration in developing renewables, such as biomass, both home-grown and imported and in the building of offshore wind facilities. The Commission said that they were planning to publish guidance on the subject.

At the Energy Council we discussed priorities for the development of an EU Heating and Cooling Strategy which will be prepared by the Commission and published later this year. I highlighted work undertaken to develop our own UK Heating Strategy, the importance of the strategy focusing on heat

decarbonisation, and the key role that local authorities – who know who uses heat, where heat sources are and what the opportunities might be locally - will have to play in taking projects forward. Other Member States described their heating systems and plans for developing them in ways which increased energy efficiency and reduced carbon emissions. Some suggested how heating networks could be used “smartly” to help balance electricity systems and facilitate the introduction of more renewable sources of energy. Others highlighted the behavioural and other barriers to major changes to domestic heating. The Commission concluded that heating and cooling had historically suffered from a lack of policy focus at an EU level but that there were opportunities to take early and effective action.

We also considered the role of regional co-operation in the energy sector in the light of the Commission’s Energy Union Communication calling for Member States to co-operate co-ordinate with their neighbours when developing policy to help achieve fully integrated markets and strengthen energy security. I expressed strong support for regional cooperation to facilitate the completion of the single market and help address other cross-border challenges. I noted that the UK was already involved in a number of regional initiatives, including the North Seas Countries’ Offshore Grid Initiative and bilateral work with Ireland and that we were open to further engagement. However, I also stressed that regional cooperation should be voluntary and the composition of the regions determined by the particular issue at stake. Other Member States cited examples of successful regional initiatives involving both gas and electricity markets and of lessons learned where initiatives had been less successful. The Commission and the forthcoming Luxembourg and Netherlands Presidencies promised that regional initiatives would play a major role in the work of the EU over the coming year.

20 April 2015

LUXEMBOURG PRESIDENCY PRIORITIES FOR THE ENVIRONMENT, AGRICULTURE, FISHERIES AND ANIMAL HEALTH AND WELFARE (UNNUMBERED)

Letter from Elizabeth Truss MP, Secretary of State for Environment, Food and Rural Affairs, Department for Environment, Food and Rural Affairs, to the Chairman

Firstly, let me congratulate you on your recent reappointment as chair of the European Union Committee.

I am writing to provide you with an overview of the Luxembourg EU Presidency’s priorities over the coming months in terms of Defra’s Council business. Luxembourg holds the six-month rotating Presidency of the EU Council of Ministers from 1 July until 30 December 2015.

Should your Committee be interested in further information on the priorities for this Presidency, I and my officials would be happy to assist with an informal briefing session on topics you may be interested to hear more about.

1 July 2015

ORGANIC FOOD PRODUCTION (7956/14, 8194/14)

Letter from George Eustice MP, Parliamentary Under Secretary of State for Farming, Food and Marine Environment, Department for Environment, Food and Rural Affairs, to the Chairman

I am writing to update you on the progress of negotiations after the 11 May EU Agriculture Council meeting, further to your letter of 4 March on the above proposal.

The Latvian Presidency produced a number of compromise texts which aimed to reach agreement on a General Approach at EU Agriculture Council on 11 May. Despite the progress made, Member States (MS) remained divided on two key issues and a vote was not taken. Those issues were i) the

frequency of physical inspections and ii) the approach taken on the presence of non-authorised substances.

In an attempt to reach some level of consensus, the Presidency proposed two options: Option 1 introduces a requirement to carry out an investigation when non-authorised substances are found as well as a ban on marketing products as organic if the presence of those substances is intentional or if the precautionary measures taken were inadequate.

Option 2 is presents a more complex (and burdensome) approach requiring different actions to be taken depending upon the level of non-authorised substances discovered against prescribed thresholds. Products containing substances above a certain threshold would lose their organic status.

The UK opposed an automatic decertification threshold and therefore signalled support for Option 1. This Option was supported by a majority of MS and the Presidency. However, a number of other MS and the Commission opposed it during the discussions, resulting in a deadlock.

The other issue that MS could not agree on was the requirement for an annual physical inspection as part of the organic control regime. We have previously supported the removal of a requirement in the existing Regulation for an annual physical inspection in favour of a risk based approach but a number of other MS were not in favour of this. The Presidency compromise text introduced a minimum inspection frequency of 2 years and this was changed to 3 years in a subsequent text tabled during the Council meeting. Whilst we would prefer a maximum frequency of 3 years in order to reduce burdens, both limits are an improvement compared to the current Regulation so we can agree to either.

I have previously highlighted the trade regime as a key outstanding issue. The Commission has now recognised MS concerns about a strict compliance regime and has proposed an acceptable approach which addresses our concerns.

Before the EU Agriculture Council on 11 May, further progress had also been made on the exemption for low risk retailers. This had been returned to the existing status quo allowing such operators to be exempt from the Control Regime. However, during EU Agriculture Council the Presidency presented a text that refined this by limiting the exemption to micro-enterprises and those selling pre-packaged products i.e. meaning that all other retailers would come within scope of organic controls. Whilst this is still an improvement by comparison to the original text, there seems little support for it, so the UK will continue to push for greater flexibility in this issue.

In terms of next steps we await further details about how the Presidency proposes to handle negotiations at the 16 June Agriculture and Fisheries Council meeting.

21 May 2015

Letter from George Eustice MP to the Chairman

I am writing to update you following the EU Agriculture Council meeting on 16 June at which agreement was reached on a General Approach on the above dossier.

In my letter of 21 May, I said that two key issues had prevented a vote taking place at the EU Agriculture Council on 11 May. Those issues were the frequency of physical inspections and the approach to be taken on the presence of non-authorised substances.

A final compromise text was distributed on 9 June which allowed for risk-based inspections with a minimum frequency of every three years for low risk operators. It also removed specific thresholds in respect of the approach to be taken on the presence of non-authorised substances. Instead, it required an investigation to be carried out when residues are found to determine the source and cause. Products would only be prevented from being marketed as organic if contamination was the result of deliberate use or was avoidable in the production process. As a compromise, and for a transitional period until the end of 2021, those countries currently using thresholds could continue to do so provided that they do not prohibit, restrict or impede the placing on the market of organic products in other Member States.

This text formed the basis for negotiations at EU Agriculture Council on 16 June. In the initial table round I made clear that the UK was not prepared to accept any significant changes at this late stage.

On physical inspections, the maximum frequency between inspections was changed to 30 months. The transitional period for those Member States operating thresholds was reduced to an end date of 31 December 2020 and applies only to those Member States that have them in operation this year. The UK was able to support these compromises and agreement was reached on a General Approach via a Qualified Majority Vote.

As you know, we had major concerns with this proposal from the outset because of the potential it had to stymie growth and increase regulatory burdens. The General Approach that was agreed has moved substantially away from that position and should now have a net positive impact for UK organic operators.

23 June 2015

Letter from the Chairman to George Eustice MP

Thank you for your letters of 21 May and 23 June 2015, which were considered by the EU Energy and Environment Sub-Committee at its meeting on 1 July 2015.

We note that agreement to a general approach was secured at the Council meeting on 16 June and that this addressed to your satisfaction the outstanding concerns of some Member States on the frequency of physical inspections and the approach to be taken on the presence of non-authorised substances.

It would be helpful if you could illustrate with practical examples the implication of the compromise agreed on the presence of non-authorised substances, including examples of such substances and the impact of removing specific thresholds. We would query whether the term “contamination” most appropriately describes the presence of non-authorised substances. While we note that this is the term used in the draft legislative text, we would encourage you to consider more impartial wording.

Could you, please, indicate the prospects for agreement with the European Parliament? This is particularly important as the Commission has previously indicated an intention to withdraw the proposal unless agreement had been secured between the co-legislators by mid-2015.

We have already cleared the documents from scrutiny.

We look forward to a reply to this letter within 10 working days.

2 July 2015

PARIS PROTOCOL - A BLUEPRINT FOR TACKLING GLOBAL CLIMATE CHANGE BEYOND 2020 (6588/15)

Letter from the Chairman to Amber Rudd MP, Secretary of State for Environment, Food and Rural Affairs, Department for Environment, Food and Rural Affairs

Your Supplementary Explanatory Memorandum (EM) on the above Communication was considered by our Agriculture, Fisheries, Environment and Energy Sub-Committee at its meeting of 8 July 2015.

As you know, we considered the Government’s original EM of 11 March 2015 on 18 March 2015, granting a scrutiny waiver for the dissolution period. We will continue the strand of correspondence on the Communication in this new strand of correspondence on your Supplementary EM.

As before, we would encourage you to continue your international efforts to ensure that individual and collective commitments to the UNFCCC are as ambitious as possible. We support your aspiration to the long-term global goal of limiting warming to less than 2 degrees celsius above pre-industrial levels and we look forward to the Paris Climate Conference (COP 21) in December.

Whilst we note that the Communication is not a statement of EU policy, we were interested to read your comment that “[the Communication] ... in some areas does not reflect agreed EU policy”. In which specific areas does the content of the Communication depart from agreed EU policy in this area? What are the effects of this disparity in policy on the international understanding of the Commission’s position as distinct from the positions of individual Member States?

8 July 2015

PERSISTENT ORGANIC POLLUTANTS (7361/15)

Letter from Rory Stewart MP, Parliamentary Under-Secretary of State, Department for Environment, Food and Rural Affairs, to the Chairman

Thank you for considering the proposal and clearing it from scrutiny. As requested, I am writing to clarify the voting position on this proposal.

Paragraph 19 of the above Explanatory Memorandum refers to the finalisation on 20 April 2015 of the Council Decision to which it relates. I can confirm that the United Kingdom abstained in the Council vote which preceded that step.

18 June 2015

PROTECTIVE MEASURES AGAINST PESTS OF PLANTS (9574/13)

Letter from Lord Gardiner of Kimble, Parliamentary Under-Secretary of State, Department for Environment, Food and Rural Affairs, to the Chairman

Further to Lord de Mauley's letter of 23 February, I am writing to update you on the progress of the above proposal which is part of the "Smarter Rules for Safer Food" package. At the time of the last letter, negotiations on the proposal were proceeding rapidly and we felt it was possible that there could be an agreed Council text in June. My predecessor sought to clear the proposal from scrutiny before the dissolution of Parliament and the General Election based on the negotiating position outlined in his letter. I am grateful to your Committee for agreeing to this request.

Although the proposal did not reach the stage expected, there have been extensive discussions in the Council Working Party since February and, during these, we maintained our original negotiating position. The discussions in the Council Working Party concluded in early June and the proposal has passed through attachés. On 30 June, COREPER agreed the Council position allowing the proposal to proceed to 'trilogue' discussions between the Commission, Council and the European Parliament. We have been informally advised by the Luxembourg Presidency, that these discussions will commence in September. Upon the conclusion of those discussions which we believe are likely to be straight forward, it is likely that the Regulation will be published in mid-2016. This will be followed by a three year implementation period during which the Regulation's tertiary legislation will be negotiated leading to its application in 2019/2020.

I am very pleased to report that overall the proposal meets all of the UK's main objectives. In particular, it avoids an over restrictive import regime whilst securing the introduction of risk based measures which will ensure improved bio-security. The Devolved Administrations have been fully involved in the negotiations and are in agreement with the UK position.

With regards to the import strategy, as you know we were keen to see a strengthening of the existing measures in respect of new trades in order to address an important gap in the current regime. Although we are concerned that any measures must be proportionate to the risk and not in conflict with World Trade Organisation/Sanitary and Phytosanitary Agreement principles. Discussions on this issue have been challenging with opposing views from Member States, including lobbying for a very restrictive regime. This would have had serious trade implications and divert Member States' resource away from higher risk pathways in the absence of a justifiable evidence base. We therefore could not support this position. However, the UK and like-minded Member States were successful in negotiating a compromise which would see a subset of plant related imports subject to temporary prohibition pending a full risk assessment. In practice, this will apply to all 'plants for planting' which we judge to be high risk together with a limited set of plant produce deemed high risk against strict criteria (which the UK helped to develop to ensure a proportionate and evidence based approach). Full risk assessments would then follow, to be completed during the regulation's implementation

period (three years). We believe this is in line with our risk-based approach and objective for any restrictions to be focussed on high risk material.

Linked to this compromise is a measure to extend the requirement for a phytosanitary certificates when entering the EU beyond the current scope which covers plants for planting and some other risk plant produce, to all plants and plant products. Specifics such as an exemption list are to be determined through negotiation of tertiary legislation and we judged that this could divert resource from higher risk checks at the border (or require a significant increase in resource). This could also increase the burden on trades and government services in third countries, to inspect and issue phytosanitary certificates for a much wider range of plant commodities. However, this measure would provide valuable information on trade flows which we don't currently hold and provide additional security on the health of plant material entering the EU. We therefore secured an agreement that a risk based approach would be taken to the level of border checks required for the additional material and that this could be decided by each Member State. We were therefore able to support the introduction of this measure on the basis that it was again in line with our risk based approach to strengthening plant protection.

Finally, one area in which we continue to press for our objectives to be met is in the passenger baggage concession. We have previously highlighted the complexity of the proposal relating to this concession and our concern that it will lead to confusion for both travellers and officials at the point of entry. Despite our representations on this issue, insufficient Member States shared our concerns to result in a significant redraft of the proposed text. However, the Commission has agreed the benefit of simplification and to take this into account when drafting the Implementing Act for this measure. We will therefore continue to press for a simplified concession during the negotiations on this legislation.

I hope this provides a useful update for the Committee and I will continue to keep you informed of developments.

I am writing in similar terms to the Chairman of the European Scrutiny Committee. I am also copying this letter to the Clerks of the Commons and Lords Committees, Sarah Davies and Chris Johnson respectively; Les Saunders, Cabinet Office European & Global Issues Secretariat; and Ali Scoleri, Defra Departmental Scrutiny Co-ordinator.

7 July 2015

RECOVERY OF THE STOCK OF EUROPEAN EEL (12989/12)

Letter from George Eustice MP, Parliamentary Under Secretary of State for Farming, Food and Marine Environment, Department for Environment, Food and Rural Affairs, to the Chairman

Thank you for your letter of 25 February in response to my update on the recovery measures for the European eel. You requested in your letter to be informed of any progress. Please find attached [not printed] the three yearly report outlining progress on implementation of the UK's Eel Management Plans (EMPs).

The report's findings show that one River Basin District (RBD) in England, the South East, is meeting its management target, which is for numbers of 'silver', or mature, eels leaving waters in the RBD to spawn at sea to reach or exceed 40% of historical levels. The Scotland RBD and the Neagh Bann RBD in Northern Ireland achieved their target. No Welsh RBDs met their target.

The methodology for these calculations is still being developed. The latest results reflect new analysis that includes losses due to barriers to eel migration, and the use of better sampling techniques. There are still more refinements to be made and these results must be considered with some caution. The Agency and Cefas will also be determining the scale of future work required to improve confidence in the scientific evidence base to assess RBD level compliance. In addition, eels are long-lived (10-20yrs), so achieving the 40% target is expected to take considerably longer than the five years since the introduction of these EMPs.

Since the 2012 report on implementation progress, the Environment Agency are continuing to implement the Eels (England and Wales) Regulations 2009 to deliver actions set out in the EMPs. Actions include installing further eel passes, screening water intakes at pumping stations, abstraction points and power plant intakes and also habitat restoration. Work implemented between 2011 and 2013 includes:

- 100% catch and release for eel by anglers;
- Introduction of closed seasons for net and trap fishing for eel;
- Limits on the geographical extent of the commercial eel fishery;
- Restrictions on commercial eel fishing methods and gear;
- 328 new eel passes restoring access to over 4200ha of habitat; and,
- Restocking of eels in the UK and other European countries.

7 July 2015

RENEWABLE ENERGY: USE OF BIOFUELS IN TRANSPORT (15189/12)

Letter from Andrew Jones MP, Under Secretary of State, Department for Transport, to the Chairman

I am writing to update you on developments on the above dossier ahead of an imminent final vote in Council.

The previous administration last wrote to you on 11 March 2015 to provide an update on the progress on the ILUC dossier ahead of trialogue negotiations. I am grateful for the scrutiny waiver given in your letter of 18 March, and I am pleased to inform you that a final compromise between the institutions appear to have been found. This is likely to be put to the Council of Ministers shortly.

The anticipated agreement will provide greater flexibility in the mix of fuels used to meet the 2020 targets included in the Renewable Energy and Fuel Quality Directives, which require 10% of renewable energy in transport and a 6% reduction in the carbon intensity of road fuels, respectively. In particular, it will enable us to limit support for less sustainable food crop-based biofuels and allow us discretion in setting minimum consumption levels for 'advanced' biofuels from waste and residues. It also increases the transparency of the greenhouse gas performance of biofuels by including estimations for the impact of indirect land use change ('ILUC factors') associated with food crop based biofuels in reports by fuel suppliers. These measures do not impose additional costs.

The agreement is widely regarded as the only possible compromise between environmental and industrial interests after five years of intense negotiations. In this context, it is expected to be widely supported in Council, particularly as most stakeholders prefer a compromise to continued policy uncertainty. For all these reasons, the UK Government intends to vote in favour of the compromise.

2 July 2015

Letter from the Chairman to Andrew Jones MP

Thank you for your letter of 2 July 2015, which was considered by the EU Sub-Committee on Energy and Environment at its meeting on 8 July 2015.

We note that a compromise has been reached. Given that the last ministerial correspondence that we received commented on how challenging it would be to reach a compromise between the Council and the European Parliament, it would be helpful if you could supply us with more detail on the nature of the compromise.

We have decided to clear the document from scrutiny.

We look forward to a reply to this letter within 10 working days.

8 July 2015

REVIEWING THE DECISION-MAKING PROCESS ON GENETICALLY MODIFIED ORGANISMS (8344/15)

Letter from the Chairman to George Eustice MP, Parliamentary Under Secretary of State for Farming, Food and Marine Environment, Department for Environment, Food and Rural Affairs

Thank you for your explanatory memorandum (EM) of 4 June 2015, which was considered by the EU Energy and Environment Sub-Committee at its meeting on 24 June 2015.

We understand the genesis of this proposal. We note that stakeholders on both sides of this debate have responded negatively to the proposal. Their concerns reflect those that you raised in your EM as well as a concern that any restrictions introduced under the legislation would not be upheld if challenged in court.

It is disappointing that the European Commission did not publish an impact assessment alongside its proposal. Given the high reliance on GM feed by many animal producers, there is a clear need to understand what impact the proposed measure may have on producers and what consequential impact it may have on consumers should feed at an affordable price become scarce. The impact on choices available to end consumers is a related topic that should be included in any work on impact. In light of these factors, could you please give us your assessment of the potential impact of the proposal on external and internal trade? We hope that you will also impress on the Commission, the European Parliament and other Member States the need for full impact assessment in taking forward this proposal.

We note that you plan to send a supplementary explanatory memorandum in due course once you have reached a definite view. In doing so, we would welcome your views on the possible wider implications of this proposal for the progress of discussions on the EU-US Transatlantic Trade and Investment Partnership.

We have decided to retain the documents under scrutiny.

We look forward to a reply to this letter in your supplementary explanatory memorandum, which we expect in due course.

24 June 2015

TRADE IN SEAL PRODUCTS (6015/15)

Letter from George Eustice MP, Parliamentary Under-Secretary of State for Natural Environment, Water and Rural Affairs, Department for Environment, Food and Rural Affairs, to the Chairman

Although confirming the release of the dossier from scrutiny, you asked in your last letter of 11 March to be kept informed of further developments.

Negotiations on this proposal at official level have progressed well through the European Council's Environment Working Group. As requested, UK representatives did call for Commission discussions on Canadian attestation arrangements to include representatives of the indigenous communities as well as Canadian government officials. It is not yet clear whether this request was successful.

An amended proposal on trade in seal products was prepared through the Working Group for trilogue discussions on 25 June. The resulting compromise text (10282/15²) was approved by the Committee of Permanent Representatives on 30 June. The Presidency will now send a letter to the European Parliament to initiate proceedings for a first reading agreement.

² Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) No 1007/2009 on trade in seal products - Analysis of the final compromise text with a view to agreement. 26 June 2015

The Commission feels that the final text suitably addresses the concerns of the WTO, the UK's main objective, whilst also taking into consideration issues raised by Member States. The European Parliament will now need to approve this proposal at plenary, probably in July, before consideration at Council of Ministers.

7 July 2015

WATER FRAMEWORK AND FLOODS DIRECTIVES (7152/15)

Letter from the Chairman to Rory Stewart MP, Parliamentary Under-Secretary of State, Department for Environment, Food and Rural Affairs

The previous Government's Explanatory Memorandum (EM) on the above Communication was considered by the EU Energy and Environment Sub-Committee at its meeting on 24 June 2015.

We note that all Member States will be required to submit their second River Basin Management Plans (RBMPs) and their Flood Risk Management Plan (FRMP) by the end of the year. We would be grateful if you could update us on the process in place to produce the RBMPs and FRMP. We would also like to know your response to the criticisms made by the Commission, and your views on whether any of the Commission's conclusions could inform the UK's RBMPs and FRMP. In particular, what is your response to the conclusion that Member States should make use of EU possibilities for financial support for delivery of measures?

We would also be grateful for further detail on the views of the Devolved Administrations, given their pivotal role in this area, and bearing in mind that any problems with implementation would apply to the United Kingdom as a whole.

As you may be aware, the EU Energy and Environment Sub-Committee undertook an inquiry into EU freshwater policy during the 2010-12 Session.³ At the core of the Committee's findings was support for a co-ordinated approach to water management, including catchment management. We would welcome your view on the success thus far of the UK's catchment management approach.

We will retain the Communication under scrutiny and look forward to your response within 10 working days.

24 June 2015

Letter from Rory Stewart MP to the Chairman

I am writing in reply to your letter of 24 June concerning the previous Government's Explanatory Memorandum on the above Communication.

Implementation of the Water Framework Directive and the Floods Directive in the UK is a devolved matter. The Agencies in England, Scotland and Wales and the Department of the Environment Northern Ireland have each consulted on draft updated River Basin Management Plans (RBMPs) and Flood Risk Management Plans (FRMPs) and are finalising the plans in the light of those consultations prior to submission for Ministerial approval. The plans are due to be finalised and published by 22 December 2015 as required by the directives.

The Commission Communication does not include country specific information. The recommendations set out in the Commission staff working document relating to each Member State's implementation of programmes of measures are based on reports entered to the Water Information System for Europe (WISE). These reports represent the position as of December 2012. Recommendations may relate to one or more individual country's plans or to the UK as a whole.

While the title of the report refers to progress on implementation of programmes of measures in Europe, in large part it is a commentary on the first RBMPs carried forward from the Commission's November 2012 initial assessment of plans. In reviewing RBMPs and preparing our first FRMPs the administrations in England, Northern Ireland, Scotland and Wales are of course taking account of the

³ European Union Committee, *An Indispensable Resource: EU Freshwater Policy* (33rd Report, Session 2010-12, HL Paper 296)

Commissions views and comments arising from their assessments and other communications. Relevant to both RBMPs and FRMPs is the recommendation around green infrastructure and natural water retention measures. These are already considered in the flood prevention programmes across the UK where the value for money case is clear.

In relation to agriculture, each UK administration has a wide range of controls on diffuse water pollution from agriculture including Nitrates Regulations and Silage, Slurry and Agricultural Fuel Oil Regulations (SSAFO) and specific measures tailored to regional issues within each country. However, where farming continues to have an adverse impact the need for further measures to supplement the existing suite of regulations is being actively considered.

EU funding does support delivery of WFD in the UK. In particular, we are investing through our respective Rural Development Programmes in supplementary measures aimed at reducing diffuse pollution from agriculture. For example, in England we will be investing around £900m through Countryside Stewardship, to help farm businesses and other land managers improve the environment. We will spend around £397 million through the scheme to help farmers reduce water pollution, with more than half of this devoted to achieving benefits for biodiversity, water quality and flood management together. In Northern Ireland, the Environmental Farming Scheme which has a total budget of some £90million has objectives to improve biodiversity and habitats, water quality and carbon sequestration. In Wales an indicative budget of £572m out of a total budget of £950 million has been provisionally allocated to area based measures with specific reference to the WFD. In the Scotland Rural Development Programme, a total of £350 million will be available, through the Agri-Environment Climate Scheme, to fund a range of activities that help to maintain and enhance Scotland's natural environment. This includes funding obligations, under the EU Water Framework Directive, to improve water quality by reducing agricultural diffuse pollution.

My predecessors welcomed the EU Energy and Environment Sub-Committee support for a co-ordinated approach to water management, including catchment management. Since the Catchment Based Approach policy was launched in June 2013, over 100 externally-led catchment partnerships have been established across all of England. These identify local issues within the water environment, agree priorities with local stakeholders and plan actions across sectors that tackle them to help protect and improve the water environment. Defra published an evaluation of the Catchment Based Approach for 2013-14 last year and will publish a further report for 2014-15 by the autumn.

The evaluation shows that over 80% of stakeholders consulted felt that their partnerships are effective. All have contributed to the review and updating of RBMPs and the economic data shows that for every £1 of funding provided by Defra to support the catchment host role, the partnerships have attracted £4 of funding for actions that might be expected to deliver a further £12-16 of benefit for the water environment. We will continue to consider emerging evidence and how the Catchment Based Approach might be further developed.

6 July 2015