

Agricultural products on the internal market and in third countries: information provision and promotion measures

2013/0398(COD) - 21/11/2013 - Legislative proposal

PURPOSE: to extend and modernise European information and promotion measures for agricultural products

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: since it accounts for 18 % of world exports and 20 % of world imports, the EU can claim to be the **world's number one importer and exporter of agricultural products**, jockeying for position with the United States. Over the years, the European sector has focussed on quality and added value, offering processed products that are increasingly popular in Europe and worldwide.

Nevertheless, on the internal market only a small minority of European consumers are aware of the efforts undertaken by European farmers to supply high-quality, healthy and safe products. **Only 14 % of Europeans** recognise the logos of products that benefit from a protected designation of origin (PDO) or a protected geographical indication (PGI), these being the main European quality schemes established by the Union.

European agriculture is faced today with a **much more competitive environment**, largely resulting from the globalisation of markets. This trend should continue in the coming years with the prospect of the Doha round and various bilateral and regional agreements currently under negotiation being concluded. Though often feared, these agreements might also give rise to major opportunities for the sector.

Council Regulation (EC) n° 3/2008 currently sets out the main principles of the information provision and promotion measures on the internal market and in third countries for agricultural products. **Reform of this policy is needed**, one which learns from the lessons of the promotional programmes implemented to date. The objective is to support agriculture, and especially the SMEs and producer organisations that form the backbone of this sector.

IMPACT ASSESSMENT: the 'targeted' scenario is the favoured option: this scenario ensures targeting of promotion measures on the internal and external markets through the development and implementation of a strategy. It also encourages collaboration between operators in the various Member States (by means of directly managed multi-country programmes). The strategy will also allow the range of products and themes eligible under the promotion scheme to be widened. Lastly, this scenario involves better use of indications of the origin of products and brand names (e.g. "banner" brands).

CONTENT: in view of the experience gained and likely trends in the agricultural sector and on markets both inside and outside the Union, the Commission proposes to repeal Regulation (EC) No 3/2008 replace it with a new regulation.

The proposal aims to enable **information provision and promotion measures** necessary for the agricultural sector to be able to rise to the many challenges it faces in a context of growing competition and opening-up of markets to be implemented on the internal market and in third countries.

The **main points of the proposed reform** are as follows:

- measures targeting the internal market, limited to providing information on the specific characteristics of agricultural production methods in the Union or on themes which are relevant to the Union, such as the **European quality systems**;
- measures to **enhance the authenticity of Union products** so as to improve consumers' awareness as to the qualities of genuine products as compared to imitations and counterfeit products;
- **opening up the information and promotion scheme** to certain food products based on agricultural products;
- the eligibility of **wine** for the information provision and promotion measures to be limited solely to wine which is associated with another agricultural or food product.
- strict guidelines as regards the possibilities of mentioning **the origin of products or brand names** as a means of illustrating the main generic message highlighting the intrinsic characteristics of European agricultural products;
- specific arrangements to encourage a larger number of information provision and promotion measures for Union agricultural products **in third countries**, with the aim of reaching 75 % of estimated expenditure;
- opening up the scheme to **producer organisations**;
- establishment of a **work programme** which defines the strategic priorities for these measures in terms of populations, products, themes or markets to be targeted and the nature of the information and promotion messages to be imparted;
- **development of new technical and support services** at European level with the aim of helping operators take part in co-financed programmes, conduct effective campaigns or develop their export activities.
- better management of programmes submitted by **operators in different Member States**;
- a **systematic impact assessment** in order to confirm that the goals set have indeed been achieved;
- **simplification of administrative procedures**: the Commission will be more active in managing multi-country programmes, thereby making it easier for them to be set up and implemented. The respective roles of Member State and the Commission in terms of monitoring and control must be clarified in order to avoid duplication and lengthy procedures. It is proposed that selection should take place solely at Commission level.

BUDGETARY IMPLICATIONS: compared to the present situation, the proposal gradually but significantly increases the budget allocated to information provision and promotion measures for agricultural products (from EUR 61.5 million in the 2013 budget to EUR 200 million in 2020). Total expenditure is estimated at **EUR 883 million for the period 2014-2020.**

DELEGATED ACTS: the proposal contains provisions empowering the Commission to adopt delegated acts in accordance with Article 290 of the Treaty on the Functioning of the European Union.