

## Promotion of EU Farm Products

### Background:

Promotion is a key element for a competitive European agriculture and this is especially true in a global context, where the prospects are for less public support to be available for farmers (Export refunds for example) while there is an increased market access for agricultural goods from third countries (WTO negotiations, TTIP and other bilaterals). The [new EU promotion policy](#) has entered into force since first December 2015. It will not only see a significant increase on the available EU budget and co-financing rates, but also aims to bring simplification to EU co-financed programme management.

### Main features of the new EU promotion policy

- **New levels of co-financing and a substantial budget increase**

The new legislation will put an end to national co-financing which has led to distortion of competition due to diverging financing rates and introduce higher EU co-financing rates:

- 70% for simple programmes on the internal market
- 80% for multi programmes and programmes targeting the external market
- 85% EU co-funded: for crisis programmes
- +5% top on for beneficiaries from Member States under financial assistance

The EU budget allocated for the promotion of agri-food products will increase progressively from €61 million (2013) to €200 million in 2020.

Worth noting: In order to react to the difficult situation faced by the dairy and pig sectors, the Commission decided to provide an **additional amount of 30 M€ for promotion campaigns on dairy and pig meat in 2016**. It means that a total of 11 M€ will be available for promotion programmes in 2016. By singling out dairy and pig meat promotion, these sectors also have

the significant advantage that the envelope is ring-fenced: dairy and pig meat promotion campaigns are no longer in competition for funding with projects from other sectors.

- **A wider list of eligible products**

All agricultural products will now be covered, with the exception of tobacco. As far as the meat sector is concerned, this means the end of the limitation under which only meat produced under EU or national quality schemes could benefit from EU co-financing.

In addition, processed products (bread, pastry, cake and biscuits) also become eligible, together with wine, spirits, fishery and aquaculture products under certain conditions.

- **New beneficiaries**

In addition to professional organisations, the new Regulation will extend the list of possible beneficiaries to Producers' organisations and Organisms involved in a mission of public interest in charge of promotion of agricultural products

- **Simplified selection/management procedures**

Under the new legislation, applications will be directly submitted to European Commission (instead of the 2-step selection currently in place where the programme had to be approved by the Member States and then by the Commission).

The selection will take place once a year, based on priorities established in [the Commission annual work programme](#).

Multi-country programmes will then be directly managed by the Commission, whereas Simple programmes will be in shared management with the member states.

- **Some flexibility to mention brands and origin**

Where the current legislation only allows for generic promotion of EU farm products, the new legislation will give some room for mentioning brands and origin under certain conditions.

The origin of products could be mentioned:

- On the internal market: If origin is secondary to the main EU campaign message

- On third markets: If a European message is present on the same level

Mentioning of brands will be possible as a secondary message in a banner displaying several brands.

### **What's next?**

The first call for proposals should be available in January 2016, with the first operational programmes expected to start at the beginning of 2017.

### **Further Information**

#### **In the first instance, contact:**

Kathy Roussel, Director of the AHDB Brussels office

Tel: 0032 230 86 68

Email: [kathy.roussel@ahdb.org.uk](mailto:kathy.roussel@ahdb.org.uk)