



Council of the
European Union

Brussels, 16 February 2022
(OR. en)

6165/22

AGRI 45
AGRIFIN 10
AGRIORG 11

NOTE

From: General Secretariat of the Council
To: Council

Subject: Potential, negative effects of the review of the eligibility of products within the EU promotion policy
- Information from the Polish delegation on behalf of the Austrian, Belgian, Bulgarian, Hungarian, Irish, Italian, Latvian, Lithuanian, Polish, Portuguese and Spanish delegations

Delegations will find in the Annex a joint paper of Austria, Belgium, Bulgaria, Hungary, Ireland, Italy, Latvia, Lithuania, Poland, Portugal and Spain on the above-mentioned subject, to be dealt with under "Any other business" at the "Agriculture and Fisheries" Council on 21 February 2022.

Potential, negative effects of the review of the eligibility of products within the EU promotion policy by the European Commission, which could lead to the exclusion of certain sectors from support (e.g. meat and wine)

In accordance with Article 26 par. 2 of the Regulation (EU) No. 1144/2014 of the European Parliament and the Council *on information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries*, the European Commission submitted **to the European Parliament and the Council a Report** on the application of this Regulation together with any appropriate proposals. The evaluation of the promotion policy analysed the effectiveness, efficiency, relevance, coherence and EU added value of the reformed EU agricultural promotion policy. Conclusions in the report indicate that the **promotion policy has had an overall positive impact** in terms of effectiveness, efficiency, relevance, coherence and EU added value, but also indicate areas in need of special attention due to the existing shortcomings and future priorities.

The inception impact assessment published by the EC published states as follows:

*The EU Agricultural Promotion policy aims at increasing the awareness of the qualities of EU food products and at enhancing the competitiveness of the Union's agricultural sector. The policy's evaluation found that it has broadly achieved its objectives. The evaluation found no major inconsistencies with other EU policies but noted **that the promotion policy could be better aligned with political priorities and contribute in particular to the objectives of the Farm to Fork strategy. The policy's review should enhance its contribution to sustainable production and consumption, in line with evolving diets, while maintaining or even increasing the policy's effectiveness in supporting the agrifood sector's competitiveness.***

Considering the above, the EC indicated the following policy options in the inception impact assessment:

(1) Building on the current success: The current policy would largely remain as it is. The Commission would use a soft-law approach made up of dynamic technical guidance to applicants and evaluators and enhanced selection and evaluation criteria (re-assessed every year) to positively discriminate in favour of promotion programmes that are consistent with the Farm to Fork Strategy objectives (and/or with other future policy developments). The 2021 work programme already demonstrated the policy’s ability to align with new policy developments by increasing significantly its contribution to the Farm to Fork Strategy, earmarking around half of its co-financing budget for organics, sustainability, fruit and vegetable consumption.

(2) Focus the policy scope: On the EU internal market, this option would focus on promotion and information measures in support of sustainable agricultural production and consumption, in line with the Farm to Fork Strategy and Europe’s beating cancer plan, nudging consumers to healthier diets. The focus of promotion and information measures on non-EU markets would be more centred on the international dimension of Farm to Fork and the EU agrifood sector’s competitiveness.

(3) Review conditionality / eligibility: This scenario could entail the introduction of new conditionality requirements and eligibility criteria that incentivise applicants to demonstrate support for the Farm to Fork Strategy relevant objectives through their proposed promotion programmes, or to exclude applications from certain sectors. Such an approach could be linked to the exclusion of certain sectors (e.g. meat and wine) from support.

The main objective of the EU promotion policy is to “ensure competitiveness of all agricultural products of the EU”. The promotion policy may contribute to enhancing sustainability of the EU food system, but primarily it is a policy of agricultural competitiveness.

The EU ranks first in the global export of pork, eighth in the global export of beef and third in the global export of poultry (European Commission’s data).

Moreover, Europe is the world leader in wine production, a sector in which we have been working for years to pursue a quality policy that also looks at environmental, economic and social sustainability.

A strong promotion policy enhances competitiveness of EU agriculture and thus, the production and consumption of more sustainable products due to high EU standards. If we stop promoting EU products such as e.g. meat or wine, consumers will reach for similar products outside the EU of significantly lower standards.

A different approach from the one taken until now would cause considerable harm to producers who have worked hard to spread our excellences throughout the world.

With a view to ensuring optimisation of the EU promotion policy's contribution to sustainable development, while maintaining competitiveness of EU agrifood products, the following elements should be taken into account:

- the current focus of the promotion policy on the objectives resulting from the EC strategy shows that it is flexible to such an extent that it can react on an ongoing basis to the EC's needs resulting from other policies, for example this year's work programme, so-called 2022 Annual Work Programme.

Topics presented therein do not exclude any products or sectors, and almost 38% of the budget is allocated to the promotion of sustainable agriculture and ecology, which is in line with the direction of changes in the food economy, related to the European Green Deal;

- the EU promotion policy should be inclusive – it should not exclude any products or sectors;
- all sustainable agricultural practices should be equally supported in order to maximise the promotion policy's contribution to sustainable development.

In the opinion of Austria, Belgium, Bulgaria, Hungary, Ireland, Italy, Latvia, Lithuania, Poland, Portugal and Spain, it is justified to continue the EU promotion policy based on currently binding provisions and with the assumption of adjusting operational priorities to objectives resulting from other policies of the European Union.

The option which assumes a review of the conditionality/eligibility, which may result in complete exclusion of certain sectors (e.g. meat, wine) from support, raises firm opposition.