

## AREPO CONTRIBUTION TO THE PUBLIC CONSULTATION ON THE EVALUATION OF THE EU AGRICULTURAL PROMOTION POLICY

The **Association of European Regions for Products of Origin (AREPO)** brings together 33 European regions and more than 700 associations of producers for over 50% of European GIs. AREPO aims to promote and defend the interests of producers and consumers in European regions committed to promoting quality agri-food products.

Hereby, AREPO welcomes the public consultation on the European Union's Promotion Policy for agricultural and food products, launched by European Commission (EC) in May 2020 as part of a comprehensive evaluation of the current policy in place since 2014.

This document aims at supporting and complement AREPO response to the public consultation.

In the framework of Promotion Policy, **one of the main priorities is increasing awareness and recognition of EU quality schemes, especially in the internal market, to date too little recognized by consumers** (Special Eurobarometer 473). As a matter of fact, the message and meaning of EU quality schemes have not reached the majority of consumers. In particular, the average consumer has **difficulties in identifying and differentiating the logos of different EU quality schemes and the values associated with them**, culminating in the absolute lack of awareness and knowledge with regard to the TSG.

European Union Quality Schemes, covering so far 1455 Geographical Indications (GI) for foodstuffs and 1606 GIs for wine - PDO and PGI registered by the European Commission (EC)- **contribute to deliver public goods to the whole European society** in several ways. EU GIs account for an **estimated sales value of €77.15 billion** and **represent 15.5% of the total EU agri-food exports<sup>1</sup>**, providing an export-promotion mechanism through which the EU can compete **on quality rather than price**. Their higher sales premium is, then, redistributed along the value chain activating a **virtuous circle that benefits the territory** contributing to the economy at national and regional level and to sustainable development of rural areas.

These figures considered, it could be assumed that the promotion programmes contributed as a useful tool in supporting EU GIs producers in their endeavours to conquer new markets and increase exports. Therefore, AREPO praises EC commitment towards the promotion of quality schemes both in the internal market and in third countries. Particularly, we are pleased to recognize EC efforts towards a better understanding and information concerning EU Quality Schemes, **acknowledging the importance of the budgetary lines currently dedicated to these topics**, both for single and multi programmes. However, confronted with an ever-changing environment, **this sector needs further support from the European Commission**.

### 1. THE BENEFITS OF THE EU AGRICULTURAL AND FOOD PROMOTION POLICY

As already stated, with regards to promotion of EU Quality Schemes, this policy deserves credits for:

- **Having supported EU GIs producers in raising awareness on the quality of their products and the associated values**, by providing more resources for promotion initiatives;
- **Having strengthened intra-EU cooperation**, taking into account promotion put forward by a collective action of organizations coming from different EU Member States;

<sup>1</sup> Study on economic value of EU quality schemes, geographical indications (GIs) and traditional specialities guaranteed (TSGs), 2020. AND-International, Directorate-General for Agriculture and Rural Development (European Commission), ECORYS

- **Having proposed an “EU image” abroad** thanks to promotion actions targeting third countries **allowing to draw the attention to EU values and high-quality standards concerning EU agriculture and food;**
- Having provided a benefit in terms of **mutual learning**. In fact, both programmes directed to the internal market and to third countries require **prior knowledge of the target market** (consumers’ needs and habits, data of consumption and sales, exporting procedures ecc...) **or a preparatory study to tailor the proposal to be submitted**. Furthermore, the possibility to implement an action in a country different from that of the proposing organization **allows for an exchange of practices, innovative strategies and working methods**.

## 2. HOW CAN THE EU AGRICULTURAL AND FOOD PROMOTION POLICY BE IMPROVED ?

Despite the selection process often seems to favour big projects with high budgets and big partnerships, **it should be noted that the majority of stakeholders actually involved in promotion of products under EU quality schemes are small associations who can't access such complex instruments.**

**Limited resources for self-financing and complexity of the calls**, especially referring to the application preparation, often limit participation as well as **bureaucratic complexities and difficulties encountered in implementing the project**. Therefore, small GI producers need **support and guidance all along the process of application and implementation**.

As a consequence, AREPO recommends to:

1. **Increase the EU co-financing rate** to reach more than 70% of grant for GIs campaigns;
2. **Simplify the participation** to promotion programmes as of the submission of the project proposals:
  - Looking at the immense amount of preparatory work, a **two-step application would be preferable**. Project engineering capacity often makes the difference, hence this could provide more time to smaller producers to set up a competitive project;
  - Information and explanatory material should be available **in all 24 EU official languages**;
3. **Simplify the bureaucratic process**: both referring to the phase of the submission of the application and the implementation of the project proposal, **a streamlined bureaucratic process, easy to access and manage is needed**.
4. **Create sub-categories for each quality scheme in the promotion policy calls**. Rather than diluting a consistent amount of resources on all EU quality schemes, establishing specific sub-categories for the different schemes (PDO, PGI, TSG, organic products, the OQT “outermost region” and the OQT “mountain product”) could help participants to present their proposals under the ad-hoc sub-program, improving the visibility of all the existing EU schemes aiming at recognize the unique characteristics linked to the origin of a product.

**AREPO does recognize the allocation of a sizeable budget to the promotion of EU Quality Schemes**. Nevertheless, an **increasing of funding for simple programmes targeting internal market** is necessary for several reasons:

- Some EU countries (particularly in Eastern and Northern Europe, but also some in Central Europe) **still lack proper information to consumers about the EU quality schemes**. This represents the opportunity to fill this gap and improve the recognition of PDO, PGI and TSG labels and their benefits in the EU. It could be also useful to envisage another way of

communicating on EU GIs focusing on **product specification**, explaining its existence to consumers as tool narrating the characteristics, hence the history, of a product and the justification of its quality.

- Considering the crisis derived from the COVID-19 pandemic, **we believe it is important to strongly prioritize the promotion of EU quality scheme in the internal market, in order to help GIs producers recover from the losses incurred.**
- Additionally, EU promotion programmes **should support information and promotion campaigns targeting specifically agritourism activities.** Agritourism, a sector harshly affected by the pandemic, **can play a vital role in the promotion of GI products** as it allows tourists to discover on-site the unique link that exist between a territory and the history, savoir-faire and quality of a product.

Finally, we would like to lay stress on the importance of **specifically including EU Optional Quality Term (OQT) “mountain product” as an eligible scheme** for action under EU Promotion policy.

As reported by Euromontana, around a third of all the GIs and TSG protected across the 28 EU Member States at the end of 2017, were located in mountain areas.

The use of the term “mountain product”, has been protected at the EU level since 2012 with the adoption of the [regulation \(EU\) No 1151/2012](#), followed in 2014 by the [delegated act \(EU\) No 665/2014](#). Since then, only nine Member States have actively implemented the regulation, allowing farmers to use the term to guarantee the origin of the product to consumers and create added value in mountains areas<sup>2</sup>. However, the EU action for the promotion of the term remains too timid. Hence, AREPO calls upon the European Commission to:

- **Give visibility to the OQT “mountain product” in annual Work Programmes**, in order to enhance the promotion of the term at EU level and increase the awareness on its characteristics;
- **Clearly refer to the OQT “mountain product” in the list of eligible schemes** to the promotion calls as well as on CHAFEA’s website and communication, including during the annual Info Day. So far, the eligibility of the term remains too unclear compared to other schemes.

### 3. EU PROMOTION POLICY COHERENCE WITH THE “FARM TO FORK” STRATEGY

In line with *Farm to Fork* priorities and objectives, **EU quality schemes should remain a priority in the future promotion policy as an instrumental sustainability tool**, considering **their potential in generating public goods in terms of** conservation of biodiversity, contribution to animal welfare, protection of cultural heritage, socio-cultural and rural development and reduction of poverty, in particular in mountainous and remote regions, where the farming sector accounts for a significant part of the economy and production costs are high. Furthermore, GIs can contribute to **food security**, by delivering safe, local, nutritious food, and by supporting the welfare of farmers. Thanks to the mechanisms included in the specifications to assure product traceability, they also guarantee **food safety**.

National quality programmes as well, could considerably contribute to the implementation of this EU strategy (e.g. in terms of food security by preserving decentralized supply structures). Therefore,

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<sup>2</sup> Euromontana, “[Implementation of the EU Optional Quality Term “mountain product”: where do we stand in the different Member States?](#)”, June 2020

September 2020

greater consistency between the EU's promotion policy and the measures implemented by the Member States is desirable.

With this necessary introduction, AREPO **would like to express its concern about the Action 24** outlined in the Action Plan of the Farm to Fork strategy. In fact, with this action the EC intends to focus the review of promotion policy on **enhancing its contribution to sustainable production and consumption**, in line with evolving diets. Plus, in relation to meat, this review should be focused on how the EU can use its promotion programme to support the most sustainable, carbon-efficient methods of livestock production.

Consequently, AREPO insists reminding that, when it comes to GIs, **sustainability cannot be reduced to carbon efficiency**. Rather, a **holistic approach is needed**, taking into account **all the dimensions of sustainability**.

In addition, considering the Farm to Fork commitment **to seek opportunities to facilitate the shift to healthier diets and stimulate product reformulation (Action 15)**, including by setting up **nutrient profiles to restrict the promotion** (via nutrition or health claims) of foods high in fat, sugars and salt (**Action 16**), AREPO **would like to stress** that these two actions could represent a serious threat for EU GIs if they are not considered as an exception to this process. As a matter of fact, product reformulation and restrictions to promotion could penalise products resulting from traditional know-how and production techniques, **whose nutrient profiles and production techniques cannot be altered without changing the very nature of the product**.

As a result, **AREPO encourages the European Commission to rather look for:**

**Actions aiming to increase, among final consumers, the awareness and understanding of quality as a competitive factor for health and proper nutrition**. Especially, agri-food PDOs and PGIs should be promoted in those third countries where they are very few recognized, **considering their role in the wider frame of a diversified and balanced diet**.