

PROMOTION POLICY FOR AGRICULTURAL PRODUCTS

Work programme 2018

Description of the Programme

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INTRODUCTION

The EU Promotion Policy helps EU agri-food sector's professionals to finance information and promotion campaigns. Based on a strategy established at European level, and under the slogan 'Enjoy, it's from Europe', the policy aims to help the sector's professionals break into international markets and make consumers more aware of the efforts made by European farmers to provide quality products.

WHO CAN PARTICIPATE?

- 1. Trade and inter-trade organisations representative of the sector;
- 2. Producers' organisations and their associations recognised by the Member State.
- 3. Producers' groups within the meaning of Art. 3 of Reg. 1151/2012 on quality schemes.
- 4. Agri-food bodies with a mission of public interest in charge of promotion of agricultural products.

WHAT IS A PROMOTION PROGRAMME?

A promotion programme is a coherent set of operations which can include advertising campaigns in the press, on television, on radio or on the Internet; point-of-sale promotions; public relations campaigns; participation in exhibitions and fairs, and a range of other activities. It can be a B2B campaign or B2C campaign.

It shall be implemented over a period of at least one year but no more than three years.

Information and promotion programmes may consist of "simple" programmes or "multi" programmes:

A **simple programme** is a promotion programme submitted by one or more proposing organisations from the same MS. It should be implemented in at least two MS **or** in only one MS if different from the MS of origin of the proposing organisation(s).

A **multi programme** is a programme submitted by at least two proposing organisations from at least two Member States or one or more European organisations.

SIMPLE PROGRAMME EXCEPTION FOR QUALITY SCHEMES:

it's also possible to choose to implement the campaign **in the MS** of origin of the proposing organisation <u>without</u> needing to include a second country.

WHAT ARE THE OBJECTIVES OF PROMOTION POLICY?

The information provision and promotion measures aim to enhance the competitiveness of the Union agricultural sector by:

- a) Increasing awareness of the merits of Union agricultural products and high standards of production;
- b) Increasing the competitiveness and consumption of Union agricultural products both inside and outside the Union;
- c) Increasing the awareness and recognition of Union quality schemes;
- d) **Increasing the market share of Union agricultural products**, specifically focusing on those markets in third countries that have the highest growth potential;
- e) Restoring normal market conditions in the event of serious market disturbance.



NEW PROMOTION POLICY: WHAT ARE THE MAIN CHANGES?

On 1 December 2015, the newly revised policy started to apply. It presents a wider scope of measures and an increased budget and it will be implemented in the internal market and in third countries.

The new regulation provides for **a gradual increase in the resources** available to 61 million planned for 2014 to 200 million in 2020.

Under the new rules, national co-funding disappear, but the **EU co-financing rates have been raised to 70% for simple programmes** presented by an organisation from one Member State, to **80% for multi Member State programmes and programmes targeting third countries**, 85% for crisis measures.

Moreover the new regulation defines **the promotion of quality systems as a key priority** in order to improve the knowledge of consumers about the characteristics of such products. In this regard, the **opportunity to mention the origin** of the products in the promotion campaigns has been introduced for the first time.

Another important element is the inclusion of producer organizations as beneficiaries of the promotion policy.

THE NEW LEGAL FRAMEWORK

The rules concerning the promotion aid scheme are in 4 different legislative texts (basic act, delegated act, implementing act and annual work programme).

Below **all the legislative text** are listed. For a more user friendly compilation of rules you can consult the <u>synoptic presentation</u> and the <u>infographic on the reform</u> available online.

BASIC REGULATION

<u>Regulation (EU) No 1144/2014</u> on information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries

DELEGATED AND IMPLEMENTING ACTS

Commission Delegated Regulation (EU) No 1829/2015

Commission Implementing Regulation (EU) No 1831/2015

ANNUAL WORK PROGRAMME

UPDATED

<u>Commission Implementing Decision of 15.11.2017</u> on the adoption of the work programme for **2018** in the framework of information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries.

Annexes:

- 1. Annex 1: establishes the programme's priorities;
- 2. Annex 2 and 3: specify criteria for the proposal to be submitted (eligibility, exclusion, selection, and award criteria).

The **annual work programme** has been introduced in the reform to take into account market opportunities and changing priorities. It adapts each year the basic framework to the needs of sector. Defined with the involvement of the stakeholders and Member States, the annual work programme:

- Sets out the priorities, including the allocation of resources;
- Defines the eligibility, exclusion, selection and award criteria to be applied.



The annual work programme for 2018 was adopted on 15 November 2017. A total of € 179 million will be available for promotion programmes selected for EU co-financing in 2018.

It gives **priority** on increasing the number of individual campaigns aimed at <u>non-EU countries</u> identified by EC macro-economic analysis for their higher potential for growth.

Within the EU, the plan again puts **emphasis on products under EU quality schemes and labels** but also includes specific elements for sectors hit by **market difficulties**. This year, the focus will be on promoting **sustainable sheep/goat production** to try to counter the impact of the ongoing difficulties the market is experiencing.

A new element for 2018 is the introduction of a topic concerning **campaigns designed to promote healthy eating and increase the consumption of fruits and vegetables** within the EU, a direct response to the difficulties the fruit and vegetable sector in particular has faced, as a result of the Russian embargo.

The work programme 2018 establishes the following **priorities** for simple and multi programmes (see figure 2 for budget allocation for each priority):

	Internal market		Third country markets	
SIMPLE	2.	EU quality schemes; Specific features of agricultural methods and characteristics of European agricultural and food products; Sustainable sheep/goat meat.	 China, Japan, South Korea, Taiwan, South East Asia, Southern Asia Canada, USA, Mexico, Colombia Other geographical areas 	
Serious market disturbance, loss of consumer confidence and other specific problems			fidence and other specific problems	
		Programmes on sustainable sheep/goat meat in the internal market; Programmes to increase the consumption	D. Programmes highlighting the specific	
MULTI	C.	of fruits and vegetables in the internal market in the frame of proper dietary practices; Programmes highlighting the specific features of agricultural methods in the EU and the characteristics of EU agri-food products or on EU quality schemes in the internal market.	features of agricultural methods in the EU and the characteristics of EU agri-food products or on EU quality schemes in <u>third</u> <u>countries</u> .	
	Market disturbance/additional call for proposals			

Figure 1. Priorities for information and promotion actions for simple and multi programmes in work programme 2018.



CALLS FOR PROPOSALS 2018

See the infoday presentations on call for proposals 2018.

The work programme is implemented through the calls for proposals for simple and multi programme, published each year, detailing the different types of funding schemes available and the procedures to follow.

- One call for proposals per year is planned for simple programmes and one for multi programmes;
- Additional calls can be published in case of serious market disturbance.

The calls for proposals 2018 have been published on January 12th and <u>the closing deadline for submission of</u> project proposals is April 12th, 2018.

Calls for proposal simple programmes (all EU languages) and guide for applicants (EN).

<u>Call for proposal multi programmes</u> (all EU languages) and guide for applicants for multi programmes (EN).

BUDGET AND CO-FUNDING

The overall amount for information and promotion programmes to be awarded in 2018 amounts to **179.000.000**. This amount is split between simple programmes (100.000.000.) and multi programmes (79.000.000.) and is allocated as follow according to several priorities:

SIMPLE PROGRAMMES	
INTERNAL MARKET	20
Topic 1- Programmes on EU quality schemes	11
Topic 2- Programmes highlighting the specific features of agricultural methods in the EU and the characteristics of EU agri-food products	7
Topic 3- Programmes on sustainable sheep/goat meat	2
THIRD COUNTRIES	75
Topic 4 - China, Japan, South Korea, Taiwan, South East Asia and Southern Asia	26.25
Topic 5 - Canada, USA, Mexico, Colombia	22.5
Topic 6 - Other geographical areas	26.25
MARKET DISTURBANCE/ADDITIONAL CALL FOR PROPOSALS	5

UPDATED



MULTI PROGRAMMES	Million €
Topic A- Programmes on sustainable sheep/goat meat in the internal market	4
<u>Topic B</u> - Programmes to increase the consumption of fruits and vegetables in the <u>internal</u> <u>market</u> in the frame of proper dietary practices	8
<u>Topic C</u> - Programmes highlighting the specific features of agricultural methods in the EU and the characteristics of EU agri-food products or on EU quality schemes in the <u>internal market</u>	30
<u>Topic D</u> - Programmes highlighting the specific features of agricultural methods in the EU and the characteristics of EU agri-food products or on EU quality schemes in <u>third countries</u>	32.1
Market disturbance/additional call for proposals	5

Figure 2. The Annual Work Programme for 2018. Indicative repartition of budget and priorities for cofinanced programmes.

The EU co-financing rate is **70% for simple programmes**, **80% for multi programmes and programmes targeting third countries**, **85% for programmes in case of serious market disturbance**. There is also a **5 percentage point top-up** for beneficiaries from MS under financial assistance.

The rest is financed exclusively by the proposing organisation. The national co-financing disappears, so a proposing organisation cannot receive money from the State for the promotion programme at stake.

	SIMPLE		Μυιτι	
	Internal market	Third countries	Internal market and Third countries	
	70%	80%	80%	
5% top-up For Proposing organisations from MS under financial assistance	75%	85%	85%	
Case of serious market disturbance (simple programme)			85%	

Figure 3. Maximum rate of EU financing of the eligible costs.

GENERAL PRINCIPLES FOR FUNDING

- Co-financing rule: you need to have your own financial resources to contribute to the costs of the project;
- Non-profit rule: the grant may not have the purpose or effect of producing a profit for participants;
- Non-retroactivity rule: you can get co-funding only for the costs incurred after the starting date stipulated in the grant agreement;
- Non-cumulative rule: each action may give rise to the award of **only one grant** to any one beneficiary (you cannot get paid twice for the same cost).



WHAT ARE THE ELIGIBILITY CRITERIA FOR APPLICANTS?

TYPE OF ORGANISATION			
SIMPLE PROGRAMME Proposals can be submitted by:	MULTI PROGRAMMES Proposals can be submitted by:		
One or more of the following organisations from the same Member State:	 At least two of the following organisations which shall be from at least two Member States: 		
 trade organisations and inter-trade organisations established in a MS and representative of the sector, including groups of producers and processors active in geographical indications; producer organisations or associations of producer organisations recognized by the MS; agri-food bodies which a mission of public interest in charge of promotion of agricultural products. 			
	 One or more trade or inter-trade organisations of the Union. 		

Figure 4. List of eligible applicants for simple and multi programmes.

Representativeness: Both for simple and multi programmes, a trade or inter-trade organisation shall be deemed to be **representative**

- (i) where it accounts for at least 50% as a proportion of the number of producers, or 50% of the volume or value of marketable production of the product(s) or sector concerned, in the MS concerned or at Union level;
- (ii) where it is an **interbranch organisation recognised by the MS**.

Selection Criteria: The proposing organisation shall have the necessary technical, financial and professional resources to carry out the programme effectively.

Country eligibility: To receive EU financial support for a promotional programme, i.e. to be a coordinator or other beneficiary, the organisation needs to be **legally established in one of the EU Member States**.

WHAT ARE THE ELIGIBLE PRODUCTS AND SCHEMES?

A PROMOTION PROGRAMME MAY COVER THE FOLLOWING PRODUCTS:

- 1. The products listed in Annex I to the TFEU, excluding tobacco;
- 2. The **following processed products**: beer, chocolate and derived products, bread, pastry, cakes, confectionery, biscuits and other baker's wares, beverages made from plant extracts, pasta, salt, natural gums and resins, mustard paste, sweetcorn, cotton;
- 3. The spirit drinks with a protected geographical indication;
- 4. The **wine with designation of origin or protected geographical indication status** and wine carrying an **indication of the wine grape variety**; in the case of simple programmes, wine shall be associated to one or several other products;
- 5. The **fisheries products** if associated to one or several products.



A PROMOTION PROGRAMME MAY COVER THE FOLLOWING SCHEMES:

- The EU quality schemes, namely PDO, PGI and TSG;
- The EU logo on organic production method;
- The **EU RUP logo** for the outermost regions;
- National quality schemes provided that the visuals respect the rules on origin.

A programme covering a scheme may be illustrated by one or several products. In the internal market, these products shall appear in secondary message in relation to the main Union message.

WHAT ARE THE ELIGIBLE ACTIVITIES?

- 1. Management of project;
- 2. Strategy (communication strategy, definition of campaign's visual identity);
- 3. Public relations (PR activities, Press events);
- 4. Website, social media (Website setup, updating, maintenance, Social media –accounts setup, regular posting-, other –mobile apps, e-learning platforms, webinars, etc.-);
- 5. Advertising (Print, TV, Radio, Online, Outdoor, Cinema);
- 6. Communication tools (Publications, media kits, promotional merchandise, promotional videos);
- 7. Events (stands at trade fairs, seminars, workshops, B2B meetings, trainings for trade/cooks, activities in schools, restaurant weeks, sponsorship of events, study trips to Europe);
- 8. Point-of-sale (POS), promotion (Tasting days, other: promotion in retailers' publications, POS avertising).

WHAT ARE THE ELIGIBLE COSTS?

The eligible costs shall be incurred by the proposing organisation during the implementation of the programme, with the exception of the costs relating to final reports and evaluation.

The following categories of costs are eligible for Union funding:

- 1. Costs relating to an **advance guarantee** provided by a bank or financial institution and lodged by the proposing organisation;
- 2. Costs relating to **external audits** where such audits are required in support of the requests for payments;
- 3. **Personnel costs** limited to salaries, social security charges and other costs included in the remuneration of personnel assigned to the implementation of the programme;
- 4. **Value added tax** where it is not recoverable under the applicable national VAT legislation and is paid by a beneficiary other than a non-taxable person;
- 5. The costs of **studies** to evaluate the results of promotional and information measures;
- 6. **Indirect eligible costs** shall be determined by applying a flat rate of 4 % of the total direct eligible personnel costs of the proposing organisation.

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HOW TO PREPARE AND SUBMIT YOUR PROPOSAL?

Proposals can only be submitted electronically via the Electronic Exchange System of the EU Research & Innovation <u>Participant Portal</u>. The submission guide and all necessary documents can be found on the Participant Portal.

RELEVANT DOCUMENTS

- 1. Work programme for 2018 and annexes
- 2. Regulation call for proposal for simple and multi programme
- 3. Guide for applicants for simple and multi programmes
- 4. Model grant agreement for mono-beneficiary grants and for multi-beneficiary grants
- 5. FAQ policy: website CHAFEA and DG AGRI

Click here to read the Infoday Presentation on how to prepare and submit your proposal (January 2018)

Read the infographic on life cycle of programmes for the promotion of EU agricultural products

LANGUAGE OF SUBMISSION

In principle, project proposal application may be submitted in any of the official languages of the EU. Nevertheless, the proposal will be evaluated by 3 independents experts that should been able to read the proposal, so it should be available <u>also</u> in English.

- Especially for **multi programmes**, selected and managed by CHAFEA, applicants are encouraged to submit their proposal in English to facilitate processing of the application.
- For simple programmes, selected by CHAFEA but managed by the MS applicants are encouraged to submit their proposal in the language(s) of the MS of origin of the proposing organisation(s) unless if the concerned MS has indicated its agreement to sign the contract in English.

CONTACTS

IT HELPDESK AND CHAFEA

For questions on the online submission tools, you can contact the IT helpdesk via the Participant Portal.

For non-IT related questions, a helpdesk at the **Chafea** is available weekdays between 9.30 – 12.00 and 14.00 – 17.00. The helpdesk is unavailable on weekends and public holidays.

E-mail address: CHAFEA-AGRI-CALLS@ec.europa.eu

Telephone: +352 4301 36611

COMPETENT AUTHORITIES IN MEMBER STATES

Even if MS are not involved anymore in the selection procedure, they are in charge of the management of simple programmes.

On their <u>national websites</u>, interested **MS** publish information related to the promotion policy and in particular to the **simple programmes that they implement**.





UPDATED



Find here the <u>list of competent authorities in the Member States</u> responsible for implementing the promotion policy under Regulation (EU) No 1144/2014.

CHAFEA PROMOTION PORTAL

CHAFEA has created a portal entirely dedicated on promotion policy: <u>https://ec.europa.eu/chafea/agri/</u>

On the portal, you can find <u>market statistics</u>, information on the <u>funding opportunities</u> under promotion policy and you can launch a partner: <u>Get connected</u>!

Consult <u>CHAFEA presentation to find out more about the **available support tools** for applicants.</u>

OTHER USEFUL LINKS	UPDATED
Commission website	FAQ – online submission: Participant Portal
CHAFEA website	Synoptic presentation
Infoday 2018 <u>video</u> and <u>presentations</u>	List of past approved campaigns
FAQ – policy: website CHAFEA and DG AGRI	