

## AREPO CONTRIBUTION TO THE REVISION OF 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 Geographical Indications (GIs). AREPO aims to promote and defend the interests of producers and consumers in European regions committed to promoting quality agri-food products.

AREPO welcomes the launch of the revision process of EU Agricultural Promotion Policy intended to enhance its contribution to sustainable production and consumption.

AREPO acknowledges the European Commission (EC) commitment towards the promotion of EU Quality schemes shown by the budgetary lines to date dedicated to these topics, both in the internal market and in third countries. As a result, EU Promotion programmes, both simple and multi, contributed to the purpose of raising awareness on EU Quality schemes and served as a useful tool in supporting EU GIs producers in their endeavours to conquer new markets and increase exports<sup>1</sup>. However, much remains to be done as concerns consumers' information and awareness of these schemes<sup>2</sup>, especially in the light of the goals at the basis of the current revision of the policy, aiming to greater coherence with the Farm to Fork strategy.

AREPO would like to recall to the European Commission that EU quality schemes, besides being the expression of EU culture and identity and accounting for 15.5% of the total EU agri-food exports<sup>3</sup>, represent a sustainability tool and contribute to sustainable food systems. Therefore, EU quality schemes, as well as national quality schemes, could considerably contribute to meeting the objectives set by the Farm to Fork strategy and they should remain a priority topic in the future promotion policy.

On the other hand, the sector has been confronted with the consequences brought about by the **COVID-19 pandemic**, especially the loss of export opportunities, decreasing consumption and a change in food demands. Exports have been affected as well by international trade uncertainties mostly due to the **US retaliatory tariffs**, even if temporary suspended, and the **conclusion of the EU-UK Trade and Cooperation Agreement**.

Consequently, we appreciate that the EC is consulting stakeholders in order to collect their views on the issue, seizing this opportunity to remind the very first commitment made by the EC in the framework of this revision and encouraging the Commission to comply with it: seeking for a balance between the coherence with the objectives of the Farm to Fork strategy and the need to maintain or even increase the policy's effectiveness in supporting the agri-food sector's competitiveness<sup>4</sup>.

### 1. COHERENCE WITH THE FARM TO FORK STRATEGY

One of the main goals the European Commission wishes to reach through the revision of EU Promotion Policy is to better align it with the priorities of the Farm to Fork strategy.

<sup>&</sup>lt;sup>1</sup> Commission Staff Working Document, <u>Evaluation of the impact of the EU agricultural promotion policy in internal and third countries markets</u>

<sup>&</sup>lt;sup>2</sup> Special Eurobarometer Survey 2020 504 - Europeans, Agriculture and the CAP Report, pp. 171 a 178

<sup>&</sup>lt;sup>3</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

<sup>&</sup>lt;sup>4</sup> Inception impact assessment - Ares(2021)1118814, <u>EU farm and food products - review of policy on promotion inside</u> and outside the <u>EU</u>





In this respect, AREPO would like to emphasize that **EU quality schemes represent a sustainability tool and contribute to sustainable food systems**<sup>5</sup>, **considering their potential in generating public goods** in terms of sustainable rural development, growth and employment, diversification of rural economy, protection of natural resources and landscape, welfare of farm animals, bio-cultural diversity, food security, food safety and traceability.<sup>6</sup> As a matter of fact, EU GIs already meet several objectives of the Farm to Fork strategy, addressing citizens demand for traditional products with the highest possible standards of food safety and quality; guaranteeing culinary diversity at the core of healthy and balanced dietary habits; ensuring economic sustainability thanks to conditions of fair competition and higher producers income; ensuring sustainable food production through the protection of rural landscape and sustainable management and reproduction of natural resources. Plus, in the current context where there's an increasing attention to consumption of local products, it is worth noting that GIs are the only products with an official certification guaranteeing their origin and differential characteristics.

For these reasons, EU GIs could considerably contribute to the implementation of this EU strategy and they should remain a priority topic in the future, restoring a sizeable budget dedicated to their promotion.

Furthermore, AREPO urges the European Commission to adopt a holistic approach concerning sustainability. In this respect, recalling that the Farm to Fork Action Plan, in relation to meat, suggested to focus the review of promotion policy on how the EU can use its promotion programmes to support the most sustainable and carbon-efficient methods of livestock production, AREPO would like to lay stress on the fact that, when it comes to GIs, sustainability cannot be reduced just to carbon efficiency, but all the dimensions of sustainability must be taken into account.

All this considered and in order to work towards Promotion policy's coherence with Farm to Fork, AREPO suggests to the European Commission to "build on the current success", as proposed in the policy option 1 of the Inception Impact Assessment. In fact, it would be preferable 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 award programmes that are consistent with and contribute to the objectives of the strategy. AREPO believes that this way producers would be encouraged and accompanied in their efforts to make their production more sustainable and they would have the proper means to communicate this information to consumers.

# 2. COHERENCE WITH EUROPE'S BEATING CANCER PLAN: GIS CONTRIBUTION TO SUSTAINABLE AND HEALTHY DIETS

The seek for coherence between Promotion policy and the EU intention to encourage a shift towards more sustainable and healthier diets, **shouldn't affect the current list of products eligible for funding**.

EU promotion measures aims to make EU and third countries citizens aware of the high-quality standards of EU agricultural products. EU GIs, in particular, strictly comply with the requirements

<sup>&</sup>lt;sup>5</sup> <u>Strengthening sustainable food systems through geographical indications: An analysis of economic impacts</u>, FAO, Rome, 2018

<sup>&</sup>lt;sup>6</sup> AREPO Position Paper on European Commission Evaluation of Geographical Indications and Traditional Specialities Guaranteed Protected in the EU, January 2020





established in their product specifications, thus being the most transparent production system at EU level.

It is important to point out that many GIs are associated with specific diets recognized for their interest in terms of nutrition, as proved by the renowned example of the Mediterranean diet. The traditional ways of cultivating plants and raising animals, the influence of local natural conditions, the human practices as well as the context-specific traditional methods of processing and conservation, are crucial in the nutritional quality of GI products. Plus, GIs are a guarantee of dietary diversity, encompassing different categories of food, tastes, seasonality, freshness, culture and skills.

Consequently, AREPO encourages the European Commission to envisage promotion and information actions aiming to increase, among final consumers, the awareness and understanding of quality as a competitive factor for health and proper nutrition, including the importance of a proper intake of essential amino acids in diets. The nutritional characteristics of GIs linked to their geographical origins and largely attributed to their unique ingredients and production procedures, make them contribute to healthy diets and to curb non-communicable diseases<sup>7</sup>.

As a result, agri-food PDOs and PGIs should also be promoted **considering their role in the wider** frame of a diversified and balanced diet.

Particularly, AREPO would like to suggest:

- To fund information and promotion actions focused on product specifications as tools
  narrating the characteristics and the history of the products and the justification of their
  superior quality. Product specifications must be used as means to properly communicate
  quality to consumers;
- To promote GIs also through displaying eating patterns, in order to show how to include them in a daily balanced diet and promote them as substitutes of conventional products.

### 3. HOW TO IMPROVE THE IMPLEMENTATION OF PROMOTION MEASURES

The evaluation of Promotion policy found the direct management of multi programmes to be more efficient than the shared management model of simple programmes. As a result, concerning the intention to introduce a streamlined implementation model, AREPO recommends that all programmes should be directly managed by the Commission and its executive agency. However, national contact points providing information and technical support should be set up, thus guaranteeing assistance during the drafting of the project proposals and its implementation. Concerning the phase of submission of the project proposals and 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. 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 GIs producers need support and guidance all along the process of application and implementation for equitable access to promotion programmes.

In addition, information and explanatory material should be available in all 24 EU official languages.

<sup>&</sup>lt;sup>7</sup> FAO, 2021. <u>The nutrition and health potential of geographical indication foods</u>, Rome



#### 4. HOW TO IMPROVE PROMOTION POLICY BUILDING ON THE CURRENT SUCCESS

The evaluation carried out all along 2020, despite the limitations related to methodology and the reduced availability of data, showed that actions funded by Promotion policy were effective with respect to the objectives the policy wanted to achieve. As a consequence, **AREPO believes that the policy should maintain its current main features and that any improvement should be built on the current success.** 

To resume, AREPO would like to recommend as follows:

- To restore a sizeable budget dedicated to promotion of EU quality schemes: Promotion policy is still needed to boost consumers' information and awareness on EU Quality Schemes, especially in Eastern and Northern EU Member States, but also in Central Europe. The intention to review Promotion policy represents the opportunity to fill this gap and improve the recognition of PDO, PGI and TSG labels and their benefits in the EU. Furthermore, as mentioned before, EU GIs contribute to several fundamental objectives of the Farm to Fork strategy and are often associated with the production of public goods, thus adding further information to communicate to consumers on these products. Finally, considering the crisis derived from the COVID-19 pandemic, allocating a sizeable budget to the promotion of GIs would allow GIs producers to recover from the losses incurred and to safeguard their market shares on the long-term.
- To regularly define selection and evaluation criteria within the annual work programme, to
  be re-assessed every year, and to provide technical guidance to applicants and evaluators, in
  order to award programmes that are consistent with and contribute to the Farm to Fork
  objectives.
- To maintain the current list of eligible products while envisaging promotion and information
  actions aiming to increase, among final consumers, the awareness and understanding of
  quality and culinary diversity as a competitive factor for health and proper nutrition.
- To encourage and fund the implementation of small projects in order to reach more
  producers, especially small GI producer groups. 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.
- To increase the EU co-financing rate to reach more than 70% of grant for GIs campaigns in the internal market. Limited resources for self-financing often hold back the participation of small GIs producers groups to promotion programmes. Increasing the EU co-financing rate will contribute to assure equitable access to promotion programmes.
- To simplify the participation with a streamlined bureaucratic process, easy to access and manage, in particular for small GIs groups. Concerning the submission of the project proposals, a two-step application would be preferable. Concerning the implementation, the direct management of programmes by the Commission is needed.
- To specifically include EU Optional Quality Term (OQT) "mountain product" as an eligible scheme for action under EU Promotion policy. Around a third of all the GIs and TSG protected across the EU Member States at the end of 2017, were located in mountain areas. So far, the



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eligibility of the term remains too unclear compared to other schemes. As a consequence, in order to enhance the promotion of the term at EU level and increase the awareness on its characteristics, AREPO would like to suggest to the European Commission to give visibility to the OQT "mountain product" in annual Work Programmes, as well as to clearly refer at it as an eligible scheme in all communication material related to Promotion policy, including the annual InfoDay.

- To relax rules concerning the promotion of products covered both by European and national
  quality systems, by allowing to promote them communicating on the two schemes
  simultaneously rather than choosing only one of them and limiting the promotion for many
  products carrying two quality labels.
- To allow for flexibilities in the use of the aid for the promotion of EU quality schemes in third
  countries. When needed, flexibilities in the use of the aid for the promotion of EU quality
  schemes in third countries (a change of action, for instance) should be allowed in order to
  ensure that operations and activities will still be eligible for financial support.