

Promotion measures and information provision for agricultural products

European Parliament resolution of 20 November 2012 on promotion measures and information provision for agricultural products: what strategy for promoting the tastes of Europe (2012/2077(INI))

The European Parliament,

- having regard to its resolution of 7 September 2010 on ‘fair revenues for farmers: A better functioning food supply chain in Europe’¹,
- having regard to the Commission ‘Communication on promotion measures and information provision for agricultural products: a reinforced value-added European strategy for promoting the tastes of Europe’ (COM(2012)0148),
- having regard to the Commission ‘Green Paper on promotion measures and information provision for agricultural products: a reinforced value-added European strategy for promoting the tastes of Europe’ (COM(2011)0436),
- having regard to the horizontal promotion scheme, as laid down in Council Regulation (EC) No 3/2008 of 17 December 2007² and its implementing regulation, Commission Regulation (EC) No 501/2008 of 5 June 2008³,
- having regard to Regulation (EC) No 1234/2007 of 22 October 2007 establishing a common market organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation)⁴,
- having regard to the 2011 study entitled ‘Evaluation of Promotion and Information Actions for Agricultural Products’⁵, carried out on behalf of the Commission,
- having regard to the Commission Report on the application of Council Regulation (EC) No 3/2008 on information provision and promotion measures for agricultural products on the internal market and in third countries (SEC(2010)1434),
- having regard to the Council conclusions of 15 and 16 December 2011 on the future of agricultural promotion policy,
- having regard to the legislative proposals of the Commission on reform of the CAP presented on 12 October 2011 (COM(2011)0625/3, COM(2011)0627/3, COM(2011)0628/3, COM(2011)0629, COM(2011)0630/3, COM(2011)0631/3) and to the proposal for a Single CMO Regulation,
- having regard to the opinion of the European Economic and Social Committee on the

¹ OJ C 308 E, 20.10.2011, p. 22.

² OJ L 3, 5.1.2008, p.1.

³ OJ L 147, 6.6.2008, p.3.

⁴ OJ L 299, 16.11.2007, p.1.

⁵ http://ec.europa.eu/agriculture/eval/reports/promotion/fulltext_en.pdf

‘Commission Communication on promotion measures and information provision for agricultural products: a reinforced value-added European strategy for promoting the tastes of Europe’ (NAT/560),

- having regard to the opinion of the European Economic and Social Committee on the ‘Green Paper on promotion measures and information provision for agricultural products: a reinforced value-added European strategy for promoting the tastes of Europe’ (NAT/525)¹,
 - having regard to Rule 48 of its Rules of Procedure,
 - having regard to the report of the Committee on Agriculture and Rural Development (A7-0286/2012),
- A. whereas, in March 2012, the Commission published a communication on information and promotion which is expected to be followed by legislative proposals at the end of the year;
- B. whereas the agri-food sector has the potential to be a strong and vibrant sector for economic growth and innovation across the Member States, particularly in rural areas and at the regional level, increasing agricultural incomes, creating employment and generating growth;
- C. whereas information and promotion measures were introduced in the 1980s with the objective of absorbing agricultural surpluses and were later also used as an instrument for dealing with crises in the food industry, such as the 1996 bovine spongiform encephalopathy (BSE) – better known as ‘mad cow disease’ – outbreak, and the 1999 dioxins-in-eggs scandal;
- D. whereas information and promotion measures now need to play a wider and more constant role and should help to make products more profitable, bring about greater competitive equity in external markets and provide more and better information for consumers;
- E. whereas these types of support are today financed under Regulation (EC) No 3/2008, known as the ‘horizontal promotion scheme’; whereas a 2011 evaluation study of promotion policies requested by the Commission concluded that a consistent and comprehensive Union strategy on information and promotion was missing;
- F. whereas Regulation (EC) No 1234/2007 on the single Common Market Organisation (SCMO), currently being overhauled as part of the CAP reform process, provides support for specific promotion measures for the wine, fruit and vegetable sectors as part of broader programmes; whereas promotional measures for products included in food quality schemes are currently financed under the rural development policy;
- G. whereas wine consumption in the European Union is in constant decline and there are no European measures for the internal promotion of this product;
- H. whereas spending on the horizontal promotion scheme in the 2012 budget amounts to approximately EUR 56 million, corresponding to around 0,1% of total CAP spending;
- I. whereas the most recent objectives of the EU’s information and promotion policy should

¹ OJ C 43, 15.2.2012, p. 59.

also be taken into account for budgetary purposes, and whereas these objectives are not confined to restoring consumer confidence following crises but extend to making products more profitable, bringing about greater competitive equity in external markets and providing more and better information for consumers;

- J. whereas spending on all other CAP promotion and information measures, notably under the SCMO and rural development policy, is put at between EUR 400 and EUR 500 million annually, which is still less than 1 % of total CAP spending and is clearly insufficient, particularly when it comes to boosting the competitiveness of European products on the world market;
- K. whereas one of the Union's strengths in food production lies in the diversity and specificity of its products, which are linked to different geographical areas and different traditional methods and provide unique tastes, with the variety and authenticity that consumers increasingly look for, both in the EU and outside;
- L. whereas EU promotion policy is an important CAP tool which can contribute to the competitiveness and long-term viability of the agricultural and food sectors;
- M. whereas the EU has recently published a list of approved nutrition and health claims which enters into force in December 2012, thereby ending years of uncertainty for the food industry, providing marketing tools that are essential in order to attract consumers' attention and enabling consumers to make more informed choices;
- N. whereas the EU farming and food sector can become more competitive at the global level if it is able to promote European food diversity and the European model of production, which is subject to high standards as regards quality, safety, animal welfare, environmental sustainability, etc., thus encouraging other farming powers to adopt this model with a view to establishing equitable production conditions and fair commercial competitiveness;
- O. whereas growing trade globalisation undoubtedly presents a number of challenges, while at the same time opening up new markets and fresh opportunities for generating growth;
- P. whereas the Council, in its December 2011 conclusions on agricultural promotion policy, states that 'promotion actions should also be carried out to promote the potential of local farming and short-chain distribution' and that these actions should be included in rural development programmes, as already proposed by the Commission;
- Q. whereas it is necessary and important to provide sufficient instruments for a policy that will foster European farming and food promotion and contribute to the competitiveness of the farming and food sector, deriving benefits from the diversity, value-added and quality of its products;
- R. whereas there is an indissoluble link between European farming and the food industry, which processes 70 % of agricultural raw materials and sells food products and in which 99 % of European food and drink businesses are SMEs and more than 52 % are located in rural areas, making them economic and social drivers in Europe's rural environment;
- S. whereas CAP support for developing short supply chains and local markets is financed from rural development policy, which is indeed the best approach, given that such initiatives are small-scale, highly localised and create local employment;

- T. whereas unique European traditional products have significant growth potential and consumer appeal in larger third markets and would benefit from targeted and strengthened promotional schemes, generating employment and growth in regional areas;
- U. whereas one of the objectives of the legislative proposals currently being negotiated with regard to the CAP reform for the post-2013 period is to ensure that this policy can contribute fully to the Europe 2020 strategy;
- V. whereas Regulation (EC) No 1234/2007 on the SCMO contains rules for the financing of the School Fruit and School Milk Schemes; whereas the current proposal to overhaul the common market organisation (COM(2011)0626) suggests raising EU co-financing rates for the School Fruit Scheme from 50 % to 75 % of costs (and from 75 % to 90 % in convergence regions);
- W. whereas the School Fruit and School Milk Schemes also have educational objectives, which should include providing pupils with a better idea of how food is produced and of life on a farm;
- X. whereas the various promotional schemes, when implemented effectively, help to ensure that European agricultural products are recognised in Europe and the world over and raise awareness among consumers of the high food safety, animal welfare and environmental protection standards which are upheld by European farmers and consistently monitored and improved upon;
- Y. whereas Regulation (EC) No 814/2000 aims to help citizens understand the European model of agriculture and to raise public awareness of the issues; whereas ignorance and misunderstandings about farming and rural life are probably stronger today than during any other period in Europe's history, and whereas one of the relevant factors of which the public is least aware is a significant rise in the cost of agricultural production resulting from the obligations imposed by the EU in relation to food security and hygiene, social welfare for workers, environmental conservation and animal welfare, which are often not practised by the EU's direct agricultural competitors; whereas one of the relevant factors that is most misunderstood by the public concerns the lack of awareness of the significant contribution that agriculture makes to reducing greenhouse gas emissions, and of the long list of public goods it provides;

Overall approach

1. Welcomes the Commission 'Communication on promotion measures and information provision for agricultural products: a reinforced value-added European strategy for promoting the tastes of Europe', which must constitute a first step towards enhancing the value of European production among both Europeans and others and increasing its profitability;
2. Supports the four main objectives defined in that communication, namely to create higher European added value in the food sector, a more appealing and assertive policy strategy, simpler management and greater synergy between different promotion instruments;
3. Considers that equal attention should be given to internal and external market promotion policy, since both are of benefit to producers and consumers;

4. Stresses that the EU promotion policy remains legitimate and important internally, at the local and regional levels and on expanding world markets;
5. Believes, however, that the objectives of EU promotion policy must be clearer and adequately defined; stresses that promotion activities should cover all agri-food products that meet European quality standards, since this will contribute to the efficiency of promotion activities and respond to consumer demands; stresses also that support for agriculture which guarantees food security, the sustainable use of natural resources and the dynamism of rural areas boosts growth and job creation;
6. Highlights the fact that, on the internal market, general and sustained promotion is required in order to ensure that European consumers are informed about the characteristics and added value of the European agricultural products they find on the market;
7. Stresses that, on the external market, there is a need to maintain and boost market share for European agricultural products and to target new emerging markets in order to find new outlets for these products, with greater coherence between promotion and EU trade policy;
8. Considers that a clear definition by the Commission of the objectives of EU promotion policy, alongside the setting of objective guidelines for the Member States, constitutes a necessary first step towards increasing policy coherence and synergies between different promotion instruments and is absolutely essential in order to ensure greater transparency in the selection of programmes at national level; points out that Union activities in this field must complement both national and private-sector initiatives;
9. Considers that the budget for improved information and promotion measures should be significantly increased, taking account of the most recent objectives of information and promotion policy, notably for the horizontal promotion scheme; considers, further, that this scheme should be given a separate heading in the general budget;
10. Stresses that the success of European farmers will depend on their ability to increase their market share and to enable the highly competitive food industry to maintain its prominent position in the EU in economic and trade terms;
11. Stresses the need to organise comprehensive consumer information campaigns in the EU and on external markets regarding production quality standards and certification systems;
12. Stresses that horizontal promotion measures under Regulation (EC) No 3/2008 should contribute to developing local markets and short supply chains, revitalising the internal market and intensifying the marketing of European products on external markets;
13. Welcomes the Commission proposal to introduce a fourth type of promotion measure providing technical support; considers this essential for an effective promotion policy, especially externally;
14. Acknowledges the potential of the single 'banner' system for information and promotion measures;
15. Recommends preserving the generic nature of information and promotion activities;

Local, regional, internal and external markets

16. Notes that the EU's information and promotion policy should have three main objectives: in local and regional markets it should highlight the diversity and freshness of products and the proximity between producers and consumers, with a view to the economic revitalisation and social enhancement of rural life; in the internal market it should reap the full benefits of the European area without borders and its 500 million consumers, with a view to boosting production and stimulating the consumption of European products; in external markets it should exploit the high standards followed by the European production model in order to obtain greater value-added for the agri-food sector;
17. Proposes that the Commission should develop short supply chains in local and regional markets, thereby creating new opportunities for farmers and other producers in rural areas and for associations of farmers and/or farmers and other operators in rural areas, and that it should design a broad set of instruments to promote the development of rural areas; considers it desirable, further, for the Commission to produce guides that will help farmers make more and better investments in the quality and specific value of their products; takes the view that consideration should also be given to investment in dissemination through the media (notably via the internet);
18. Proposes that the Commission should do more on the internal market to support the efforts being made by European producers to acquire the necessary capacity to meet higher consumer demand in terms of quality, food hygiene and knowledge of the origin of fresh products and when they should best be consumed, thereby promoting the diversity of products and food and providing an opportunity to become acquainted with new products or new ways of presenting or using traditional products;
19. Calls, therefore, for the expansion of programmes geared to either markets or target products, and for the associated promotion tools to focus on the specific characteristics of production standards, always highlighting the European production model and European quality systems in particular; also considers it important to encourage multi-country programmes covering various products, which on the one hand bring a genuine European dimension to the programme and on the other hand are more specifically in need of European support; takes the view, in this connection, that priority should be given to countries implementing production programmes that take account of market conditions and potential and at the same time allow the Commission to adjust support to the designated area;
20. Urges that information and promotion measures be made more attractive for professional organisations through greater cooperation between ongoing national and sectoral activities and better coordination with political activities, with particular regard to free trade agreements;
21. Highlights the need to make programmes more flexible so that they can be adjusted to fluctuating market conditions during the implementation phase; believes that the level of detail required when presenting programmes should therefore also be reduced;
22. Calls for improved assessment of programmes by means of a rigorous assessment system based on specific indicators such as an increase in market share and job creation; takes the view that the selection process should be shorter and that consideration should be given to the possibility of advance payments for organisations;

23. Congratulates the Commission on the good results achieved with the current information and promotion policy for agricultural products, but calls for that policy to be simplified and improved, noting that it is particularly important to reduce administrative burdens, above all by reducing the number of reports that the Commission requires; considers that it would be desirable for the Commission to produce a simple and comprehensive manual that would help potential beneficiaries to comply with the rules and procedures associated with this policy;
24. Draws the Commission's attention to the fact that, as regards external markets, the production of quality food is not in itself sufficient to guarantee a good market position, and that it is therefore vital to invest in promotion programmes; considers that these programmes should be preceded by market studies in third countries, for which co-financing should be available; believes that consideration should also be given to the possibility of supporting pilot projects in third countries that have been identified as potential new markets;
25. Calls for action to boost the development of European associations and businesses and to encourage them to participate in world forums, competing on quality and giving priority to specialisation and diversity, which will require assistance for farmers and cooperatives in implementing their own strategies and export capacity, including technical assistance for producers;
26. Calls for it to be possible to promote the origin of products that are not covered by quality denominations, highlighting their characteristics and qualities;
27. Believes that the EU's information and promotion policy for European products should be given its own label with which to identify such products inside and outside the EU;
28. Calls on the Commission to raise consumer awareness of the fact that European agricultural standards are the most demanding in the world in terms of quality, safety, animal welfare, environmental sustainability, etc., which affects the final price of the product; believes that consumers should be provided with transparent information on how European products and their characteristics can be identified, in order to avoid the risk of purchasing counterfeit products and to enable them to decide what they wish to purchase;

Origin and quality

29. Believes that quality products are those that are linked to specific production methods, geographical origins, traditions or cultural contexts, and notes that schemes to protect these already exist in the form of the protected designation of origin (PDO), protected geographical indication (PGI), organic labelling and traditional speciality guaranteed (TSG) schemes; calls for a new 'local farming and direct sale' scheme to cover local quality products intended for consumption in the region where they are produced;
30. Takes the view that the indication of European origin should prevail as the main identity in all promotion and information activities, both in the internal market and in third countries; takes the view that an additional indication of national origin could be considered in third countries where that identity is strong and where it helps to highlight diversity in the supply of food products;

31. Stresses that, as regards private brands, it is vital to seek a balance between generic promotion and brand promotion that will help to make promotional campaigns in third countries more effective; supports the Commission's view that brand names can have a leveraging effect on this type of activity, where it is natural to complement generic promotion by bringing together economic players through the promotion of products and brands, thus having a greater impact on importers and consequently on consumers; considers, further, that including private brands in promotion activities will result in businesses being more interested in participating, and notes that it should be borne in mind that, in the end, it is these businesses that co-finance such measures;
32. Points out that, insofar as farmers are organised, quality schemes allow them to apply supply management and price stabilisation measures, thereby increasing their chances of earning a decent living from farming, and that such schemes are therefore best placed to increase 'European added value' in line with the Commission's priorities;
33. Considers it necessary to ensure more effective protection for products subject to quality standards vis-à-vis EU trading partners; calls for the full inclusion of geographical indications and wider protection for them under bilateral and interregional trade agreements and at World Trade Organisation level;
34. Stresses the need to amend the funding framework provisions for the promotion of products subject to quality standards with a view to increasing EU financial involvement;
35. Notes that the entry into force of approved information on the relationship between specific substances found in food and improved health will bring greater transparency to the promotion of products for health-related reasons;
36. Welcomes the increasing demand for organic products and calls for more active stimulation of their production and promotion;
37. Stresses the need to promote local products from mountain and island areas and to step up EU funding for this purpose;
38. Calls on the Commission, in its external promotion activities, to place greater emphasis on highlighting EU agriculture's commitment to more sustainable farming methods, variety and quality, and on the increased cost that this entails, and to develop and strengthen awareness of EU promotional schemes and logos;
39. Endorses the provision of technical assistance to small and medium-sized undertakings in particular to help them develop their own marketing strategies and analyse their target markets;
40. Recommends the creation of an internet platform for the exchange of potential projects and best practices as a means of encouraging publicity campaigns from a European perspective;
41. Stresses that the reform of the Common Agricultural Policy is aimed at improving the organisation of the production, sustainability and quality of agricultural products; considers that the EU's promotion policy should therefore make it possible to deploy the entire potential of the food sector in order to foster European economic growth and employment;
42. Urges the Commission to identify, where appropriate, different management arrangements

for the internal and external markets and for multinational or crisis programmes in its future legislative proposals for promoting the tastes of Europe;

43. Considers it necessary to define a European information and promotion strategy that targets markets more precisely and offers products or messages to be highlighted, taking account of free trade agreement negotiations and the most profitable markets in order to avoid the fragmentation and dispersion of funding;

School Fruit and School Milk Schemes

44. Welcomes the Commission's proposal to raise EU co-financing rates for the School Fruit Scheme against the backdrop of the continued economic crisis;
45. Asks the Commission to take steps to encourage all Member States to place greater emphasis on the educational character of national school fruit and school milk schemes and to integrate the School Fruit and School Milk Schemes fully into the second pillar of agricultural support;

Action relating to information campaigns on quality wines

46. Calls on the Commission to assess the implementation in the EU market of information campaigns targeted at the adult population on the responsible consumption of European quality wines; notes that, in addition to the moderate consumption of these wines, such campaigns should highlight the cultural roots, qualitative properties and specific characteristics of European wines;

o

o o

47. Instructs its President to forward this resolution to the Council and the Commission.