Basic information

2007/0095(CNS)

CNS - Consultation procedure Regulation

Agricultural products: information and promotion on the internal market and the third countries

Repealing Regulation (EC) No 2702/1999 1998/0330(CNS) Repealing Regulation (EC) No 2826/2000 2000/0226(CNS)

Repealed by 2013/0398(COD) Amended by 2007/0138(CNS) Amended by 2008/0104(CNS) Amended by 2008/0131(CNS)

Subject

3.10.03 Marketing and trade of agricultural products and livestock 6.20 Common commercial policy in general

Procedure completed

Key players

Euro	ope	an
Parl	ian	nen

Committee responsible	Rapporteur	Appointed
AGRI Agriculture and Rural Development	GOLIK Bogdan (PSE)	05/06/2007

Committee for opinion	Rapporteur for opinion	Appointed
BUDG Budgets	The committee decided not to give an opinion.	
IMCO Internal Market and Consumer Protection	The committee decided not to give an opinion.	

Council of the European Union

Key events

12/12/2007

Decision by Parliament

Council configuration	Meetings	Date
Agriculture and Fisheries	2841	2007-12-17

T6-0605/2007

Summary

Date	Event	Reference	Summary
23/05/2007	Legislative proposal published	COM(2007)0268	Summary
09/07/2007	Committee referral announced in Parliament		
21/11/2007	Vote in committee		Summary
23/11/2007	Committee report tabled for plenary, 1st reading/single reading	A6-0461/2007	
11/12/2007	Debate in Parliament	CRE link	

12/12/2007	Results of vote in Parliament	5	
17/12/2007	Act adopted by Council after consultation of Parliament		
17/12/2007	End of procedure in Parliament		
05/01/2008	Final act published in Official Journal		
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Technical information		
Procedure reference	2007/0095(CNS)	
Procedure type	CNS - Consultation procedure	
Procedure subtype	Legislation	
Legislative instrument	Regulation	
	Repealing Regulation (EC) No 2702/1999 1998/0330(CNS) Repealing Regulation (EC) No 2826/2000 2000/0226(CNS) Repealed by 2013/0398(COD) Amended by 2007/0138(CNS) Amended by 2008/0104(CNS) Amended by 2008/0131(CNS)	
Legal basis	EC Treaty (after Amsterdam) EC 037 EC Treaty (after Amsterdam) EC 036	
Stage reached in procedure	Procedure completed	
Committee dossier	AGRI/6/49976	

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE390.711	18/09/2007	
Amendments tabled in committee		PE396.407	17/10/2007	
Committee report tabled for plenary, 1st reading/single reading		A6-0461/2007	23/11/2007	
Text adopted by Parliament, 1st reading/single reading		T6-0605/2007	12/12/2007	Summary

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2007)0268	23/05/2007	Summary
Commission response to text adopted in plenary	SP(2008)0411	23/01/2008	
Follow-up document	COM(2010)0692	25/11/2010	Summary
Follow-up document	SEC(2010)1434	25/11/2010	Summary

Additional information		
Source	Document	Date

National parliaments	IPEX	
European Commission	EUR-Lex	
		·

Final act	
Regulation 2008/0003 OJ L 003 05.01.2008, p. 0001	Summary
Corrigendum to final act 32008R0003R(01) OJ L 040 11.02.2009, p. 0058	Summary

Agricultural products: information and promotion on the internal market and the third countries

2007/0095(CNS) - 17/12/2007 - Corrigendum to final act

PURPOSE: **Corrigendum** to Council Regulation (EC) No 3/2008 of 17 December 2007 on information provision and promotion measures for agricultural products on the internal market and in third countries (Regulation initially published in the Official Journal of the European Union L 3 of 5 January 2008).

The purpose of the Regulation is to establish a legal framework for the promotion of agricultural products in the Community and in third countries.

The corrigendum relates to the replacement of correlation tables referred to in Article 19 of the Regulation.

Agricultural products: information and promotion on the internal market and the third countries

2007/0095(CNS) - 25/11/2010 - Follow-up document

The Commission presents its 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. It recalls that two reports have already been presented, in 2004 and 2006. This report covers the operation of the promotion scheme between 2006 and the first half of 2010. It deals mainly with improvements in management and impact assessment as well as with simplification aspects (the two distinct regulations targeting, respectively, third countries and internal markets were merged into one). It focuses on all Commission Decisions adopted since the last report and analyses the data available with regard to the promotion of agricultural products.

Co-financed promotion programmes: during the period covered by this report, all Member States took part in promotion efforts, showing a broad interest in the scheme. In all, 430 programme proposals, with a total budget of EUR 505.6m, were received by the Commission departments after a first selection by the national authorities. 183 of them were accepted for Community co-financing totalling EUR 248.6 million. Of these, 134 concerned the internal market and 49 targeted third country markets. Almost all products listed in Annex 1 to Regulation (EC) No 501/2008 benefited from these promotion efforts. Dairy products were the greatest beneficiaries in terms of accepted programmes (36), followed by quality products (PDO, PGI, organic and outermost regions: 32), fruit and vegetables, fresh and processed (30), meat products, including poultry (23), wines and spirits (20), olive oil (8), etc. The main reasons for rejection during the reference period were: the actions were not described in enough detail to give the Commission departments a clear picture of the programme; the budget was not sufficiently detailed to allow the programme's value for money to be assessed, as required by Council Regulation (EC) No 3/2008. The reasons for proposing the programme were not given; elements proving that the implementing body had been well chosen were lacking. In more recent years, another significant ground for rejection was the absence of SMART objectives, or of methods to be used for programme evaluation and impact assessment.

Promotion activities managed directly by DG AGRI: the report describes directly managed activities with some emphasis on the high level missions or promotional events, notably to India and China, which were organised as follows from 2007 to 2010. It also discusses the promotion campaign for organic food and farming, and other expenditure under direct management. A detailed description of all activities under direct management by DG AGRI is given in the Commission Staff Working Document accompanying the report.

The report states that the period 2006-2010 featured several amendments to the scheme of EU co-financed programmes for the promotion of agricultural products. It makes the following points:

- the promotion scheme was improved in the light of the last report's recommendations: the **two Council regulations were merged into one** (now Council Regulation (EC) No 3/2008 of the Council) and the two Commission regulations were also merged into one (Commission Regulation (EC) No 501/2008)., of the Commission);
- the selection procedure for the new programmes at Commission level was improved through the adoption of guidelines and the introduction of quantitative evaluation methods (evaluation grid) and reference costs for the various actions included in the programmes. The paper notes that robust guidelines for preparing promotion programmes have been drawn up and adopted. DG AGRI's internal audit report of May 2009 noted that the systems in place comply with applicable rules and procedures in a satisfactory manner and that since 2005, there has been a constant increase of the quality of the selection procedure'. The guidelines already adopted and updated will certainly help in this respect;
- improvements were made to the **impact assessment of programmes** during and at the end of their implementation. Since 2008, an assessment of the impact of the programmes is made when the programmes come to an end and is included in the final reports examined by

the programme managers. This assessment makes use of indicators such as the budget execution rate or the conformity of the implemented programme with the proposed one. The measures included in the programmes are increasingly successful. Up to now the reports were often drafted by the proposing organisations themselves. From 2010 on, the evaluations will be made by independent assessment bodies. A good indicator of the quality of the promotion tools developed during the implementation of the promotion programmes, and of their positive impact, is the fact that, after many programmes are completed, a request is introduced by the proposing organisation to be allowed to produce additional quantities of these tools for further use at their own cost:

- the management of the programmes was consequently improved. The implementation rate (expenditure/appropriations) of the sector increased significantly, to almost 100 %. The trend in the implementation rate has to be underlined: sound management of the promotion sector helped put a stop to the under-consumption that was one of the main features of the sector up to 2006;
- during the report period, the promotion scheme was also used to counter crisis consequences in two cases: avian influenza (2007) and the
 crisis in the dairy sector (2008).
- Many other improvements were initiated by the Commission departments during the reporting period, in line with the Court of Auditors' recommendations.

Recent audits by the Court of Auditors and DG Agriculture and Rural Development's internal audit unit have confirmed these improvements. Nevertheless, other improvements still have to be made:

- The quality of the programmes sent to the Commission departments needs to be further improved;
- the selection, monitoring and audit of programmes by the Member States' competent authorities also has to be further improved. Greater attention needs to be paid to the tender procedures applied for the choice of the implementing bodies. In this context both Articles 9(2)(e) and 12(2) stress the technical and financial capacities these bodies have to possess in order to ensure that the promotion actions are implemented as efficiently as possible;
- the procedure currently in place to approve co-financed programmes is rather cumbersome. Programmes are evaluated twice: at the level of
 the Member State and then at EU level. The whole selection procedure takes seven months. Nevertheless, more than 50 % of the
 programmes received are refused.

The current information and promotion policy will be reviewed in parallel with the discussion on the CAP reform after 2013. The promotion instruments should provide EU producers with an effective tool whilst attempting at the same time to reduce the administrative burden.

Agricultural products: information and promotion on the internal market and the third countries

2007/0095(CNS) - 17/12/2007 - Final act

PURPOSE: to establish a legal framework for the promotion of agricultural products in the Community and in third countries.

LEGISLATIVE ACT: Council Regulation (EC) No 3/2008 on information provision and promotion measures for agricultural products on the internal market and in third countries.

CONTENT: taking account of experience gained, the prospects for market development both within and outside the Community, and the new international trade situation, the Regulation aims to enable the development of a coherent information and promotion policy for agricultural products and their method of production, as well as for the food products which are derived from them.

Regarding the Regulation, the information and promotion measures carried out on the internal market or in third countries may be financed, fully or in part, by the Community budget subject to the conditions laid down in this Regulation. The measures shall not be brand-oriented nor encourage the consumption of any product on grounds of its specific origins. However, the origin of a product covered by these measures may be indicated in the case of designations conferred under Community rules.

The measures under this Regulation are as follows:

- (a) public relations work, promotion and advertising, in particular to draw attention to intrinsic features and advantages of Community products, notably the quality and safety of food, specific production methods, nutritional and health aspects, labelling, animal welfare and respect for the environment:
- (b) information campaigns, in particular on Community systems of protected designations of origin (PDOs), protected geographical indications (PGIs), traditional speciality guaranteed (TSGs) and of organic farming;
- (c) information measures on the Community system for quality wines produced in specified regions (quality wines psr), wines with geographical indication and spirit drinks with geographical indication or reserved traditional indication;
- (d) impact assessments of the outcomes of the information and promotion measures.

On the internal market, the measures may also take the form of participation in events, fairs and exhibitions of national or European importance, by means of stands aimed at enhancing the image of Community products.

In third countries, the measures may also take the following form: (a) information measures on the Community system for table wines; (b) participation in events, fairs and exhibitions of international importance, in particular by means of stands aimed at enhancing the image of Community products; (c) studies of new markets, necessary for the expansion of market outlets; (d) high-level trade visits.

For the purpose of the Regulation, the Commission shall draw up lists of the selected themes and products and the third countries concerned. These lists shall be revised every two years. For promotion on the internal market, the Commission shall, for each of the sectors or products selected, adopt guidelines to be followed defining the strategy for information and promotion programmes. With regard to the promotion of fresh fruit and vegetables, particular attention shall be paid to promotion measures intended for children in schools.

To implement the measures, the trade and/or inter-trade organisation(s) representing the sector(s) concerned in one or more Member States or at Community level shall draw up proposals for information and promotion programmes of a maximum duration of three years. After examining the programme(s), the Member State(s) shall draw up a list of programmes selected, within the limit of available funds, and shall undertake to contribute to financing these programmes, where appropriate.

The Commission shall decide which programmes are to be selected and the corresponding budgets. Priority shall be given to the programmes proposed by several Member States or providing for measures in several Member States or third countries.

The Community's financial participation in the programmes selected shall not exceed 50 % of the actual cost of these programmes (60 % for measures for the promotion of fruit and vegetables intended specifically for children in schools of the Community). Proposing organisations shall participate in the funding of the programmes they propose, to a level of at least 20 % of the actual costs of the programmes.

By 31 December 2010, the Commission shall submit a report to the European Parliament and the Council on the application of this Regulation, together with any appropriate proposals.

ENTRY INTO FORCE: 12/01/2008.

Agricultural products: information and promotion on the internal market and the third countries

2007/0095(CNS) - 12/12/2007 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a legislative proposal based on the report drafted by Bogdan **GOLIK** (PES, PL) by 549 votes for, 26 votes against and 16 abstentions. Conforming to the position taken by its competent committee, Parliament made some amendments, in the framework of the consultation procedure, to the proposal for a Council regulation on information provision and promotion measures for agricultural products on the internal market and in third countries.

The main amendments were as follows:

- Parliament stated that criteria should be set for selecting themes, markets and potential export opportunities concerned by the Community programmes, particularly with regard to those carried out in third countries;
- information and promotion measures should include and reflect in the best possible way the attributes of the European production model the richness, variety and tradition of the Community's agri-foodstuffs culture;
- the Commission should promote collaboration with the Member States on measures that it launches on its own initiative, thereby increasing Community added value:
- it would be appropriate to devise and include in the programmes information and support measures for the professional organisations taking part in them:
- in view of the rapid process of internationalisation to which the Community agri-foodstuffs industry is subject, MEPs stated that it would be appropriate to provide for flexible application of the promotion and information instruments, and to make the legislative amendments needed in the light of the experience acquired since 1999;
- bearing in mind that, especially in third countries, the promotional measures introduced should foster access to European products for consumers, and also bearing in mind that the organisations cofinance a substantial percentage of the programmes, the participating proposing organisations should be able to present their products at commercial events, such as trade and other fairs, in order to show the richness, quality and variety of the Community products available:
- information and promotion measures for fruit and vegetable products should be strengthened;
- the need to emphasise the numerous advantages of regional and local products for the environment and the labour market should be one of the criteria to be considered for measures to be implemented in the internal market;
- the Commission (and not the Member States) shall define the specifications setting the conditions and evaluation criteria for information and promotion measures;
- priority shall be given only to the programmes carried out on third country markets and within these measures particularly to programmes that are proposed by several Member States or providing for measures in several Member States;
- the Community's financial participation in the programmes selected shall not exceed 60% of the actual cost of these programmes (50% in the proposal). However, in the case of programmes related to organic farming and programmes dealing with measures taken as a result of crisis situations, the level of the Community's financial participation to such programmes shall not exceed 70%. Proposing organisations shall participate in the funding of the programmes they propose to a level of at least 10% of the actual costs of the programmes (instead of 20% in the proposal);
- the rules shall in particular provide for the possibility for proposing organisations to submit their programme at least twice a year and for the Member States to submit the programme proposals to the Commission on the same terms.
- the report stated that provisions should be made for a proper distinction between the implementing measures related to technical issues of acceptance of projects submitted by proposing organisations and issues related to strategic approach with regard to market outlet studies and export opportunities. In the first case, the management procedure should be used, whereas, in the second case, since the choice of export strategy maintains certain aspects of political importance, the regulatory procedure should be applied;
- before 31 December 2010, the Commission shall submit to the European Parliament and the Council a report on the application of the Regulation, together with any appropriate proposals.

Parliament also underlined that the inclusion of the promotion measure in the framework of the single CMO regulation (see CNS/2006/0269) would be in line with the simplification process and would lead to the transparency of all the market instruments available for the operators, market management mechanisms and promotion possibilities.

Agricultural products: information and promotion on the internal market and the third countries

2007/0095(CNS) - 23/05/2007 - Legislative proposal

PURPOSE: to develop information provision and promotion measures for agricultural products on the internal market and in third countries.

PROPOSED ACT: Council Regulation.

CONTENT: in accordance with Council Regulation (EC) No 2826/2000 on information and promotion measures for agricultural products on the internal marketand Council Regulation (EC) No 2702/1999 on measures to provide information on, and to promote, agricultural products in third countries, the Community may implement information and promotional measures on the internal market and on third country markets for certain agricultural products. The results so far have been very encouraging. This policy has been useful to supplement and reinforce the schemes run by Member States since 2000 by boosting product image in the eyes of consumers in the EU and in third countries, in particular as regards the quality, nutritional value and safety of foodstuffs and the methods of production.

In the light of the experience gained in recent years and with a view to simplification, a single legal framework should be adopted for the promotion of agricultural products on the internal market and on third country markets, whilst maintaining the specific features of measures that differ according to where they are carried out. With this aim, the proposal is to recast the two Regulations (EC) Nos 2702/1999 and 2826/2000 into a single regulation.

Information and promotion measures for agricultural products and their method of production as well as for food products based on agricultural products carried out on the internal market or on third country markets may be financed, fully or in part, by the EU budget subject to the conditions laid down in this

Regulation.

The above-mentioned measures shall comprise:

- public relations work, promotion and advertising, which in particular draws attention to intrinsic features and advantages of EU products, notably the quality and safety of food, specific production methods, nutritional and health value, labelling, high animal welfare standards and respect for the environment:
- information campaigns, in particular on the EU system of protected designations of origin (PDOs), protected geographical indications (PGIs) and traditional speciality guaranteed (TSGs) and of organic farming, and other EU schemes for quality standards and labelling of agricultural products and foodstuffs, as well as on the graphic symbols laid down in applicable EU legislation;
- information measures on the EU system for quality wines produced in specified regions (quality wines psr), wines with geographical indication and spirit drinks with geographical indication or reserved traditional indication;
- impact assessment of the information and promotion measures implemented.

Agricultural products: information and promotion on the internal market and the third countries

2007/0095(CNS) - 25/11/2010 - Follow-up document

The Commission presents a Staff Working Document accompanying its 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. This consists of two Annexes.

- The first Annex contains the changes introduced to the promotion regime since the Report 2006, in addition to those already discussed in the report.
- The second Annex contains a description of the promotion activities managed directly by DG AGRI. These include high level missions, promotion campaign for organic food and farming, and other expenses under direct management.