



### AREFLH contribution to the public consultation on the evaluation of the EU agricultural promotion policy

The **Assembly of European Horticultural Regions (AREFLH)** represents European Regions and producers' organisations operating in the fruit, vegetables and ornamental plant sectors.

Its aim is to **represent, promote and defend the interests of producers and of European Regions** involved in the valorisation of high quality fruits, vegetables, flower and live plants..

This paper has been developed to put forward **AREFLH recommendations in regards to the public consultation** on the evaluation of the EU agricultural promotion policy..

### AREFLH recommendations

In view of the public consultation on the evaluation of the EU agricultural promotion policy, **AREFLH would like to propose the following recommendations.**

**1. Maintaining a dedicate financial envelope for the promotion of the consumption of fruits and vegetables (F&V) in the internal market:** The recent F&V consumption data highlights the alarming statistic that over 1/3 of the European population (36%) consumes F&V **less than once a day or not at all during a typical week** (Eurostat 2017). Therefore, AREFLH believes that maintaining a **sizeable budget for the promotion of the consumption of F&V in the future Promotion Annual Work Programmes** is crucial to boost the internal consumption of EU F&V. This dedicated budget not only delivers important health benefits for EU citizens and young people - hence contributing to the Commission's Farm to Fork Strategy objective of promoting sustainable food consumption and facilitating the shift to healthy, sustainable diets - but also contributes to the stabilization of agricultural markets by curbing the negative impact of certain market disturbances (Russian embargo, Brexit, COVID-19 pandemic). Additionally, this dedicated financial envelope for F&V should not hinder applicants from the sector from applying to other budgetary lines.

**2. Defining a better balance in budget lines between internal market and third countries:** simple programmes in the internal market tend to be assigned much lower budgets than simple programmes on third countries. Albeit the majority of potential consumers of EU agricultural products does not reside within the EU, F&V producers have a strong interest in targeting EU consumers and promote their products in the internal market, where 70% of them are consumed. Therefore, **AREFLH advocates for a more balanced share of the budget allocated between internal and third country markets for information and promotion actions in the future Annual Work Programmes.**

**3. Allow applicants to submit one project for countries belonging to different budget lines:** under the current rules, applicants are unable to target different third countries than those indicated under each budget line. For instance, if an applicant wishes to target third countries such as the USA and China (belonging to two different budget lines in the work programme), he/she will be **obliged to submit two different projects (one for each country).**

**4. Establishing specific sub-categories dedicated to each of the different quality schemes:** Also, rather than diluting a consistent amount of resources on all EU quality schemes, AREFLH-AREPO suggests to **establish specific sub-categories for the different schemes (PDO, PGI, organic, mountain products, etc..)** in order to allow participants to present their proposals under the ad-hoc sub-program.

**5. Ensuring market accessibility for F&V products in extra-EU markets:** AREFLH would like once again to pinpoint the fact that several target third countries where promotion programmes are eligible for EU funding, **are either not yet fully opened to European fruits and vegetables or geographically located too far away for producers to export their most perishable produce.** Such issues continue to hinder the Commission's

effort to make the best use possible out of the current budget allocated for promotion policies and should be avoided.

Moreover, the tendency to include among the target countries those with whom the EU has negotiated a free trade agreement (FTA) does not always enable EU producers to immediately start implementing promotional activities and exporting their products to those countries. This is largely due to the fact that in many cases **FTAs do not contain a sanitary and phytosanitary (SPS) chapter, meaning that the entry of specific products into those third countries is still linked to bilateral protocols between States.** As a consequence, a very same product originating from two different member states may not have access to a particular market. There is therefore the risk of promoting European products in countries where their access is limited to only a certain number of EU member states (e.g. European apple in China where apples from only two EU countries are allowed).

**6. Maintaining support to address SPS barriers in third countries:** AREFLH welcomes the Commission's initiative to provide support to F&V operators in addressing SPS barriers in third countries through the organization of promotion seminars on agri-food products and sanitary and phytosanitary standards (AGRI-SPS). **Such initiative has proven to be helpful in providing operators with valuable information and important opportunities for their products and should therefore be upheld in the future.**

**7. Differentiating fresh and processed (including preparations) fruit and vegetables budget allocation and data analysis:** AREFLH considers that the Commission should **make a clear distinction between promotion programmes for fresh F&V and processed F&V** (incl. preparations) by establishing separate budget envelopes for each of these two sectors as well as by providing distinct data analysis of submission statistics for past promotion programmes.

AREFLH would like to take this opportunity to underline the imperative need to differentiate fresh and processed F&V: both sectors operate in different markets, have different actors and their products possess different characteristics, which make their promotional messages very divergent. Moreover, their market access is also dissimilar because of different SPS barriers. Therefore, **both sectors should be treated distinctly.**

**8. Simplifying the participation procedures for promotion programmes and implementing a more streamlined bureaucratic process:** AREFLH believes that the application procedures for promotion programmes - and the submission of the project proposals in particular - should be simplified. The **submission of a project proposal is certainly complex and requires a lot of time and resources**, as consortiums must often rely on the assistance of specialized agencies. Considering that promotion projects have very different characteristics from those provided under other funding lines (i.e. Horizon 2020), it would thus be more appropriate to **implement a two-stage procedure** where applicants must first submit an initial summary proposal and, if shortlisted, are invited to submit a full application in the second phase.

AREFLH would like to stress the need of a streamlined bureaucratic process: a positive element in the management of multi programs is the coordination by CHAFEA which, compared to national authorities, is more flexible and inclined to find solutions to specific problems. On the other hand, simple programmes are entirely managed by Member States, a factor that often creates disagreements between applicants and national agencies, mostly due to diverging interpretations of the regulatory framework. **A common and more harmonized approach among Member States as well as between them and CHAFEA should therefore be encouraged.**

Also, since most of the actors involved in promotion of products under EU quality schemes are mainly small associations who can't access such complex instruments, we believe that in the drafting of its Annual Work Programme, the European Commission should consider to **encourage not only the participation of consortia in calls for promotion of PGIs/PDOs, but also of Promotion Associations or Committees**, avoiding restrictions to their participation, such as the obligation to form expensive and unmanageable coalitions between legally mixed entities, thus allowing an organization to apply to a programme on its own.

**9. Better recognition of the added value brought by transnational consortiums in multi programmes:** AREFLH considers that multi programmes proposals that promote transnational cooperation between proposing organisations from several member states should be rewarded. For instance, **multi programmes with a consortium involving partners from more EU member states should be awarded more points in the project's evaluation criteria.**

**10. Review the concept of result indicators:** it remains difficult for a three-year project to clearly define result indicators when applying to a call for proposals. For example, the quantity exported to country X is not always related to the success of a product on the market. For products such as fruit and vegetables, the quantity of the product sold outside its member state may depend on the quantity produced and its quality during a specific year. **Result indicators should therefore be adapted** to take into consideration such elements.

**11. Allow greater flexibility in the indication of national origin alongside the "Enjoy it's Europe" logo:** after a few years of use, the 'Enjoy it's From Europe' logo begins to be recognized in Europe as well as outside the Union. The European flag is in fact recognized as a guarantee of quality, sustainability and food safety. Nevertheless, **allowing greater flexibility in the indication of national origin alongside the European one, both in the internal market and in third countries**, remains an important demand from operators as well as greater flexibility in the use of trademarks by producers who invest significant financial resources in promotional activities and who possess an unparalleled distinctiveness of their brand.

**12. Review the list of products eligible for promotion:** the current promotion legislation allows the promotion of products that are not strictly of 'agricultural nature'. For instance, Annex I of Regulation 1144/2014 allows the promotion of products that require industrial processing (i.e. cookies). We believe that the **regulation should mainly focus on the promotion of genuine agricultural products**.