

To all members

11.03.2014

PROMOTION: report on SCA and revised text of the Greek Presidency

The issue of promotion was again on the agenda of the Special Committee for Agriculture of 10.03.2014.

Delegations received a working document from the Greek presidency highlighting positions of MS on different options put forward at the SCA of 3.03.2014.

I. REPORT OF MS POSITIONS ON THE DIFFERENT OPTIONS PUT FORWARD BY THE GREEK PRESIDENCY

1. Promotion measures on the internal market (Art. 2 and 3)

At the meeting of the Special Committee on Agriculture on 3 March 2014, option A suggested by the Presidency in doc. 6886/14, i.e. **status quo**, received very limited support <u>(CZ, PL)</u>.

<u>A number of delegations (BE, DK, DE, IE, EE, LV, LT, LU, NL, SK, SE, UK)</u> were in favour of option B, i.e. **generic information measures only on the internal market with the possibility of mentioning brands and origin** under the conditions referred to in Article 4 of the Presidency revised text set out in doc. 6298/14.

A <u>somewhat smaller number</u> (<u>BG, HR, CY, HU, PT, RO, SI, FI</u>) supported option C, i.e. generic **information and promotion measures on the internal market with the possibility of mentioning brands and origin** under the conditions referred to in Article 4 of the Presidency revised text set out in doc. 6298/14 **but only in Member States other than those of origin**. However, <u>a</u> <u>number of Member States (ES, FR, IT, AT</u>) took the view that such measures should be available throughout the single throughout the single market, including the Member State of origin.

The <u>Presidency</u> is reflecting on a possible compromise and, together with the <u>Commission services</u>, is examining the legal ramifications of authorising promotion measures on the internal market where brands and origin are mentioned.

2. EU financial assistance and national co-financing (Art. 15,18 and 27A)

A number of delegations (<u>DK, LT, SE</u>) supported option A, i.e. **increased EU funding during a transitional period**. <u>PT</u> supported option A but provided that it was retained on a permanent basis.

<u>FR</u> preferred option B (**increased EU financing for multi programmes targeting third countries**) and, supported by <u>ES</u>, 100% EU financing in the case of food crises.

However, a <u>clear majority of delegations</u> (<u>BE, BG, CZ, DE, IE, HR, IT, LV, LU, HU, MT, PL, RO, SI, SK,</u> <u>FI</u>, with <u>AT</u> and <u>CY</u> remaining open) wished to **retain national co-financing** (option C).

<u>EE and ES</u> preferred an increase in EU financing rate. Those delegations could therefore accept national co-financing being abolished, provided that the rate of EU financial assistance was raised on a permanent rather than a temporary basis.

Furthermore, <u>CY</u> took the view that the Member States receiving financial assistance in accordance with Articles 136 and 143 TFEU should benefit from a higher EU financing rate for simple programmes.

<u>IE</u> preferred national co-financing in the case of simple programmes on the internal market and in third countries without the mentioning of brands or origin.



<u>NL and UK</u> supported the Commission proposal.

In the light of the above, the <u>Presidency</u> takes the view that a clear majority of delegations prefers option C as set out in Articles 15 and 18 in the <u>Annex</u>.

3. <u>Involvement of Member States in the selection procedure for simple programmes</u> (Art. 12)

Option A, i.e. "**pre-clearance**", received the <u>widest support</u> (<u>BE, IE, ES, FR, IT, LV, LU, HU, SI</u>, and <u>CZ</u> accepting it as a compromise).

Option B, i.e. **information by the Commission**, was favoured by <u>several delegations</u> (<u>LT, NL, AT, SE, FI, UK</u>), with <u>BE</u> agreeing with it under certain conditions.

<u>DK</u> position is linked to the eventual outcome of the discussions on the annual work programme.

However, a <u>slightly smaller number of delegations</u> (<u>BG, CZ, DE, HR, CY, LU, MT, PL, SK</u>) was in favour of **a full involvement of Member States** (option C).

Following the SCA meeting on 3 March 2014, the <u>Commission services</u> have provided further clarifications. Article 8 as it stands provides for the publication of a call for proposals by the <u>Commission</u> and, in order to ensure transparency and equal treatment for applicants as provided for in Regulation (EU, Euratom) No 966/2012, the only legally sound option is along the lines of option B, i.e. the Commission providing information to Member States.

4. Eligible products and schemes (Art. 5)

National quality schemes

A clear majority of delegations would like to make national quality schemes eligible in third countries and on the internal market but only in Member States other than those of origin, while some delegations would like them to be eligible also on their domestic markets and some only in third countries.

<u>EU origin</u>

The Special Committee on Agriculture agreed that there was no need to lay down such eligibility criteria.

Fishery

Majority of Member States agreed to remove the reference made to fishery.

60% for information measures on fruit and vegetables targeting children in Union educational establishments (point (b) of Article 15(2))

While <u>some delegations</u> (<u>BE, CZ, DE, IE, LU, NL, AT, SE, FI, UK</u>) supported aligning the rate with the one provided for in Article 34(1) of Regulation (EU) No 1308/2013, <u>others</u> (<u>BG, DK, FR, HR, IT, CY, LV, LT, HU, MT, PL, RO, SI</u>) supported a higher rate, i.e. 60%.

EE and ES would like to increase that rate even more.

The <u>Presidency</u> therefore suggests that point (b) of Article 15(2) should remain between square brackets.



II. REVISED TEXT OF THE GREEK PRESIDENCY

Based on the above- identified positions of Member States, the Greek Presidency has circulated a revised draft text, to be discussed at Council working party meeting of 12.03.2014.

Main elements:

- **Scope of the messages** for information measures is broaden to include sustainability, quality, taste, diversity and tradition
- **Clarification on brand and origin** : ie promotion measures shall not be origin nor brand oriented- in third countries, origin should be at same level as main European messages
- Scope of the measures: wine and fishery together with other products (basket principle), processed food in non-Annex I included

Simple programmes:

- Clarification as to the information provided by the Commission to Member States on selection of simple programmes;
- EU co-financing ratio for simple programme shall not be more than 50%; Proposing organisations shall participate to a level of at least 20% of total budget;
- EU level can be up to 60% when targeting third countries and when targeting children for consumption of fruit and veg in the internal market

Multi programmes:

- EU level of co-financing is up to 60%; proposing organisation shall participate to a level of at least 20%; the remaining may be borne by MS;

Entry into force: December 2015.

CELCAA secretariat will keep you informed of the outcome of the Working Party meeting of 12.03.2014.
