



To the Agricultural Permanent
Representatives to the
European Union

Brussels, 04 July 2023

RE: Agri-food sector's views regarding the draft 2024 Annual Work Programme

Dear Permanent Representative,

In view of the upcoming deadline of 7th July for Member States to provide the European Commission with their contributions on the 2024 Annual Work Programme (AWP) of the EU Promotion Policy for agricultural products, the undersigned 12 European agri-food sector organisations would hereby like to bring your attention to some key elements for your consideration.

On 28th June during the meeting of the Civil Dialogue Group on Quality and Promotion, stakeholders had the chance to take a quick look at and comment on the draft 2024 AWP. We were pleased to see that no further decrease of the 2024 AWP budget (€185.9 million) was proposed. Although the process is at an early stage, it was reassuring that no discriminatory criteria against red and processed meat or wine were put forward.

Notwithstanding the provisional programme presented, we fear that the budget would be further reduced on the grounds that it is being underused. While the 2023 AWP submission statistics show that -24.3% project proposals were submitted for the 2023 call-out when compared to 2022, it must be borne in mind that the budget applied for by far exceeds the one available. It is important to rightly attribute the drop in the number of applications to the so-called continuation rules (Art. 1(4) of Regulation 2015/1829)¹ and not mistake it for a lack of interest.

¹ "A proposing organisation shall not receive support for information and promotion programmes on the same product or scheme, carried out in the same geographical market on more than two consecutive occasions".

Interestingly, low submission rates are encountered for the organic topic. Indeed, only 60% of the topic budget available for organic was requested for simple programmes (internal market). By contrast, the requested grant for the organic/sustainable budget items was 190% (internal market) and 203% (third countries). In the case of multi programmes (internal market), the requested grant for organic was a staggering 0%, whereas for the sustainable category, it amounted to 106%. Only 32% of the budget for organic/sustainable was requested for third countries. These figures indicate a reduced interest in the organic category, despite efforts in the past few years to encourage applications through a significant increase in the budget allocated, and increased interest shown in the budget for sustainable and other topics.

In December 2022, following a deviation, the Council reaffirmed the original Promotion Policy aims by rejecting the subcriterion discriminating against red meat and alcoholic beverages in the internal market. We very much welcomed this development as not only did the subcriterion lack a legal basis, but it was also counterproductive to the end goal pursued, namely greater sustainability. We hope that this sub-award criterion will not be put forward again in the future as it would be highly detrimental considering that the livestock sector represents 45% of total agricultural activity in the EU and generates direct jobs for four million people and indirectly supports the work of 30 million people, while wine production represents more than three million jobs. Both of these workforces are mostly in rural areas.

In addition to this, while the EC has taken note of the 2023 AWP submission statistics and, to some extent, reflected this in the proposed budget reallocation for 2024 AWP, we believe that further improvements are needed to mirror market realities. Readjustments are necessary to support simple programmes and, *inter alia*, other sustainable agricultural practices.

In light of the aforementioned, **we would like to encourage you to include the following elements in your feedback to the EC regarding the draft 2024 AWP:**

- Keep a robust budget to respond to ongoing challenges (at least €200 million as in 2020).
- Avoid any discrimination against specific products or sectors, such as red and processed meat or wine.
- Improve budget allocation through:
 - an increase in the overall budget allocation for simple programmes.
 - a decrease for organic (internal market).
 - an increase for sustainable and quality schemes and EU Characteristics (internal market).
 - an increase for all three categories for programmes in third countries.
 - a decrease in the overall budget allocation for multi programmes.
 - a decrease for organic (internal market) and organic/sustainable (third countries).

The EU Promotion Policy has been very successful in boosting the competitiveness of EU agricultural products. We hope that it continues to be an inclusive policy by equally and proportionately supporting all sectors and sustainable agricultural practices. We are counting on your support to reiterate these considerations to the EC when providing feedback on 2024 AWP.

We would be delighted to engage in further exchanges with you on the matter should you have any queries or need any clarifications.

Yours faithfully,

On behalf of the following organisations:

AREFLH – The Assembly of European Fruit, Vegetable and Horticultural Regions
CEEV – Comité Européen des Entreprises Vins
CELCAA – European Liaison Committee for Agricultural and Agri-Food Trade
CEVI – The European Confederation of Independent Winegrowers
CLITRAVI – Liaison Centre for the Meat Processing Industry in the European Union
Copa-Cogeca – The united voice of farmers and their cooperatives in the European Union
EDA – European Dairy Association
EFOW – European Federation of Origin Wines
FRESHFEL – European Fresh Produce Association
OriGIn EU – The Organization for an International Geographical Indications Network
SpiritsEUROPE – European representative body for producers of spirit drinks
UECBV – European Livestock and Meat Trade Unions