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NOTE

From:	Presidency
To:	Council
No. Cion doc.:	16591/13 - COM(2013) 812 final
Subject:	Proposal for a Regulation of the European Parliament and of the Council on information provision and promotion measures for agricultural products on the internal market and in third countries
	- Presidency questionnaire

With a view to structuring the debate in Council ("Agriculture and Fisheries") at its session on 17 February 2014, delegations will find in the <u>Annex</u> the questionnaire drawn up by the <u>Presidency.</u>

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On 21 November 2013, the Commission presented a legislative proposal for a more ambitious and better targeted information and promotion policy. The proposal aims to develop and open up new markets for European agricultural products and to increase consumer awareness of EU product quality.

The reform proposal has been examined in several Council working party meetings. At these meetings, the Commission explained the main elements of the proposal:

- **Funding**: the European contribution is increased to 60% for multi-programmes and programmes targeting third countries. Co-financing of Member States disappears thereby ensuring a level playing field and equal treatment of proposing organisations.

There will be a gradual but significant increase in spending from €61 million in the 2013 budget to €200 million in 2019. As to the source of financing, promotion expenditure can be included in the amounts for market measures taken into account in the Multi-annual Financial Framework. Those measures do not affect Member-States' envelopes for direct payments nor lead to additional financial discipline.

- More EU added value: to enhance the setting of clear priorities, and after consulting Member States, the Commission proposes to specify, each year, in a work programme, the EU strategic priorities for promotion and information measures in terms of products, themes, target markets, beneficiaries (SME's) etc.
- Measures adapted to the needs of the sector: a widening of the scope of beneficiaries, a more extensive range of eligible products coherent with the list of products eligible for an EU quality label and the other information and promotion measures under the CAP.

- The indication of origin and product brands will be allowed as part of illustrating a generic message to create more leverage than by using a generic message alone.
- Administrative procedures, currently perceived by stakeholders as complex, will be simplified and shortened, with a one-step selection of programmes by the European Commission (instead of currently two steps: Member State and European Commission). Multi-programmes will be directly managed by the Commission. Their current attractiveness is limited due to difficulties of management and implementation. Delegation of tasks to an existing executive agency of the Commission will reduce red tape and lead to more flexibility, rationalisation, higher level of specialisation of staff, higher visibility.

Questions to define the Council's position

The intention of the Presidency is to initiate debate on how to draw up a revised text of the proposal and to establish the position of the Council.

In order to structure the discussion, the Presidency suggests that Ministers address the following questions:

Information measures on the internal market

The eligible measures on the internal market aim to provide information on the specific characteristics of agricultural production methods in the EU or on themes which are relevant to the Union, such as the European quality systems, to the benefit of all EU products without distorting competition between them.

Question 1: Could promotion measures on the internal market be efficient and generate an EU added value without distorting competition between EU products or even encouraging consumers to buy national products? Please illustrate with specific examples.

National co-financing

The proposal to finance all the public support from the EU budget aims to simplify the selection process and will guarantee a level playing field between proposing organisations. In addition, the Commission's proposal aims at ensuring high efficiency of programmes and allows for brand names to be mentioned. National co-financing of programmes, together with the mentioning of brands and origin, would complicate the scrutiny of measures from a state aid point of view and invalidate the simplification sought by the Commission proposal.

<u>Question 2</u>: Does the proposal strike the right balance between granting public support for measures that would not be undertaken without it and the financing capabilities of proposing organisations?

Role of Member States in the selection of programmes

With a view to speeding up and simplifying procedures, the Member States, instead of preselecting individual programmes and in order to benefit from their expertise, will be closely involved in the definition of the EU strategic priorities governing the promotion policy. This strategic framework will subsequently be the basis for the evaluation of proposals and the administrative selection of programmes by the Commission.

<u>Question 3</u>: Whilst at the same time ensuring an efficient and quick procedure for proposing organisations, could you agree with the role of Member States as proposed by the Commission?

Open up the scope to certain processed agricultural products

The proposal opens up support for more products (i.e. certain processed agricultural products) and follows the approach for foodstuffs that qualify for EU quality schemes for protected designations of origin and geographical indications as agreed by the Council and European Parliament.

<u>Question 4</u>: Do you agree with this approach to open the scope to certain processed agricultural products, as proposed by the Commission?