

Promotion of agricultural products: new funding opportunities offered by Regulation (EU) 1144/2014

Athens
11 July 2016

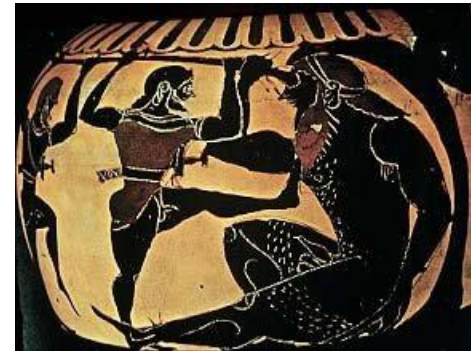
DG Agriculture and Rural Development
European Commission
Director Diego CANGA FANO

Feta: one of the most ancient and traditional European products

A cheese that corresponds to feta is first described by Homer (8th century BC)

*"Μισό απ'το γάλα το άσπρο βάλθηκε μετά
γοργά να πήξει,
κι όπως το μάζωξε, το απίθωσε στα τυροβόλια
μέσα"*

Homer Odyssey, Rhapsody I



Today

Feta is one of the best-known and iconic European PDO products





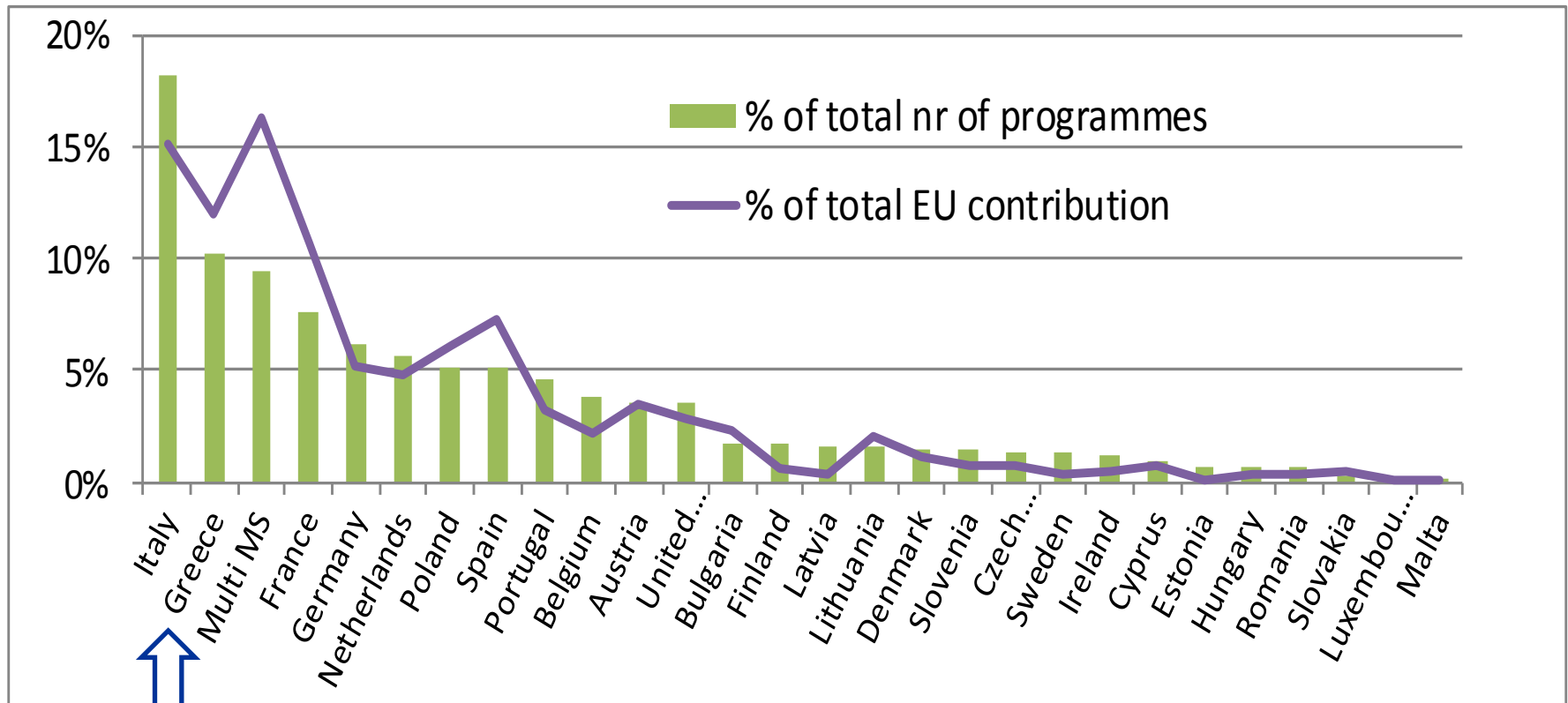
Promotion of agricultural products: new funding opportunities offered by Regulation (EU) 1144/2014

1. Promotion policy before 1 December 2015

2. Promotion policy under Regulation (EU) No 1144/2014

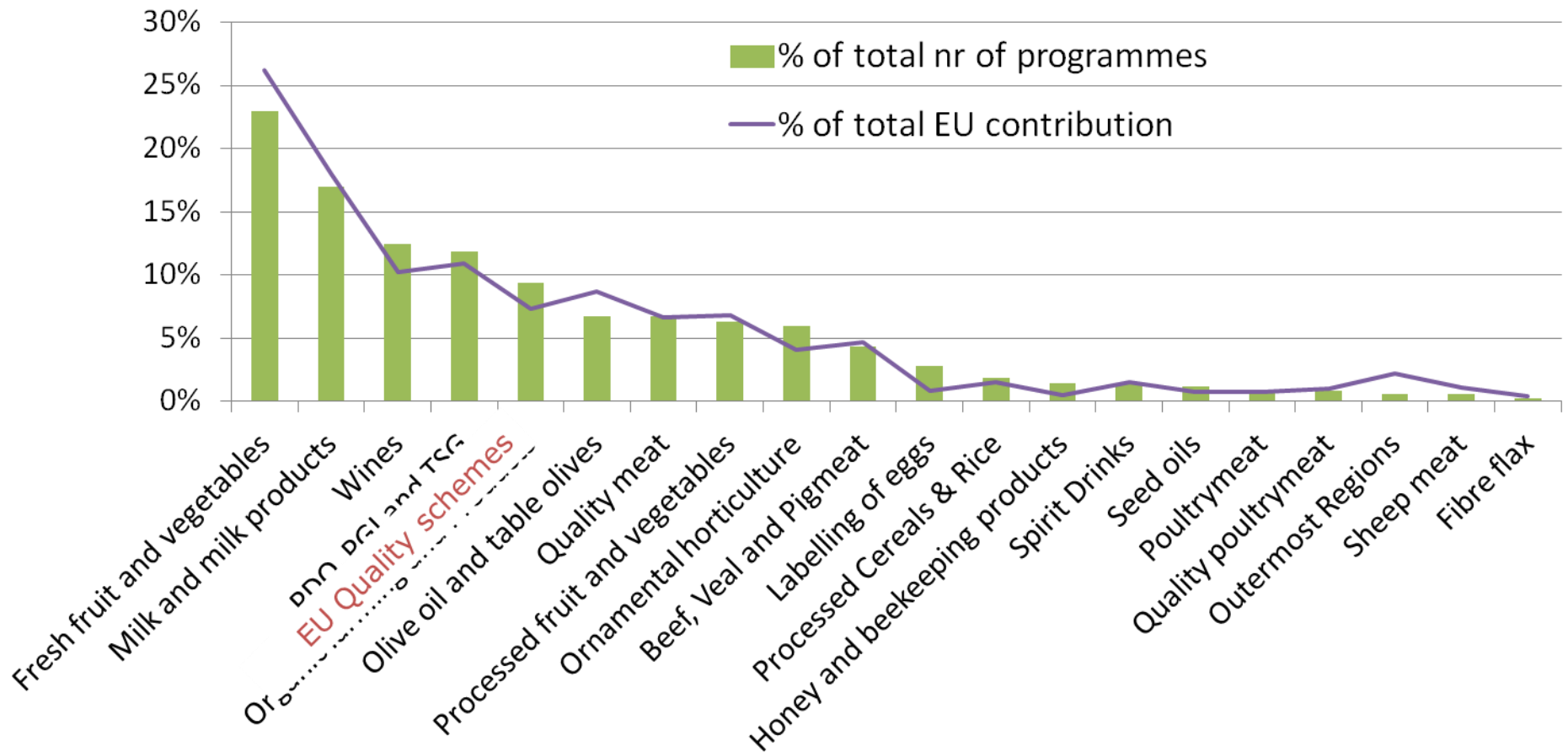
3. Examples for successful programmes

Number of programmes and EU contribution per MS



Data from 2001-2015

Number of programmes and EU contribution per product sector

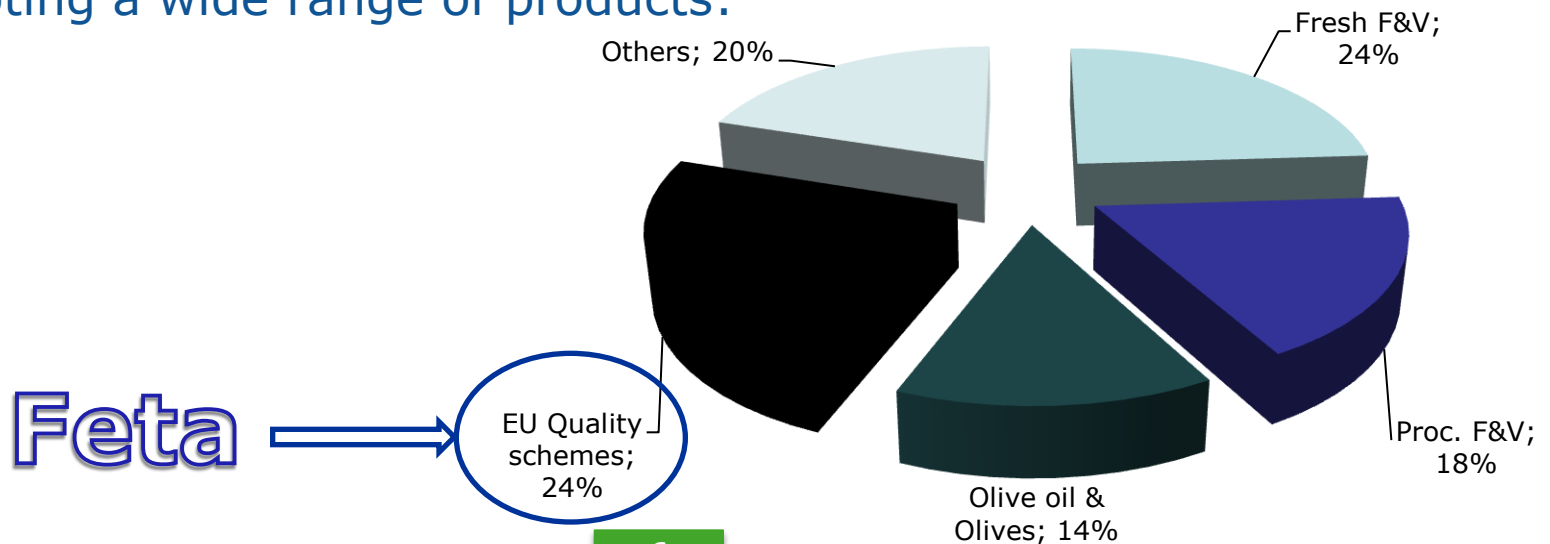


Data from 2001-2015

Accepted promotion programmes submitted by GR (2001-2015)

Type of programmes	Numbers of accepted programmes	Total budget (in million EUR)	Total EU co-financing (in million EUR)
Simple	76	>300	>152
Multi	12	>110	>56

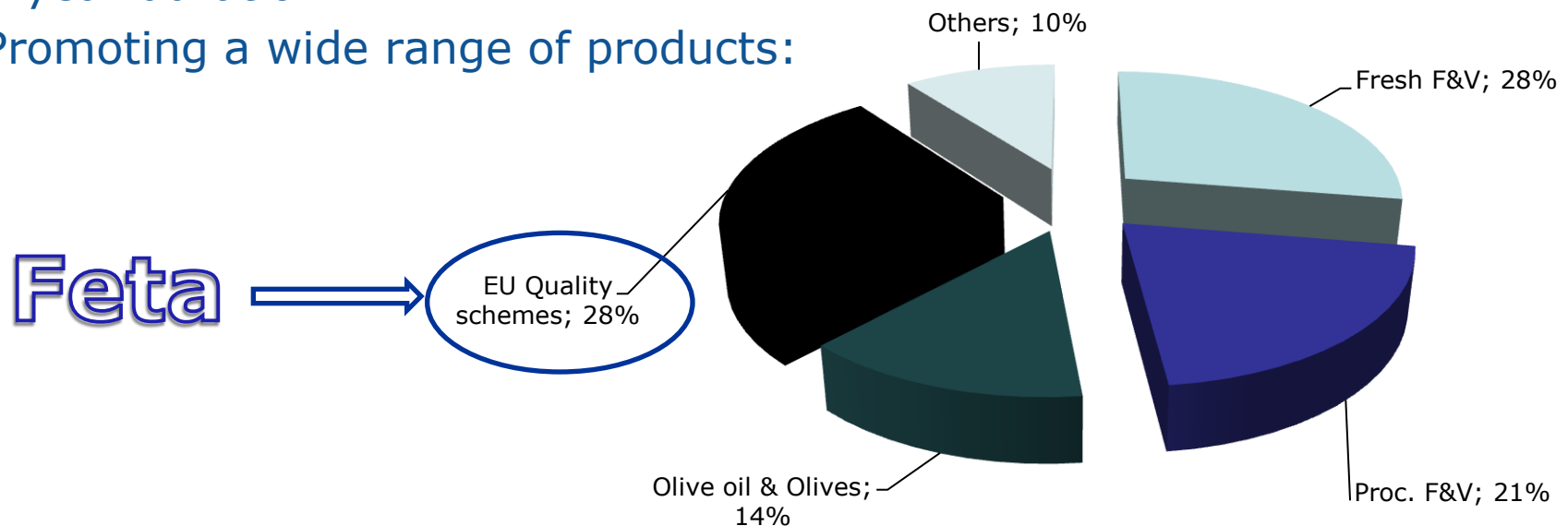
- ✓ 40% targeting the internal market, 60% targeting Third countries
- ✓ 3 year duration
- ✓ Promoting a wide range of products:



Running programmes submitted by GR (state of play June 2016)

Type of programmes	Numbers of running programmes	Total budget (in million EUR)	Total EU co-financing (in million EUR)
Simple	24	>120	>60
Multi	5	>55	>27

- ✓ 1/3 targeting the internal market, 2/3 targeting Third countries
- ✓ 3 year duration
- ✓ Promoting a wide range of products:



Recent simple programmes promoting FETA submitted by GR

Proposal Year	Market Type	Programme Title	Organisation(s) Acronym(s)	Total Budget	Total EU co-financing
2010	Internal Market	Information and promotion measures for PDO-PGI products in the internal market (GR, DE, FR)	ACUN+ACUZ+CHIOS MASTIHA GROWERS ASSOC.	2.460.000	1.230.000
2011	Third Countries	Promotion measures for PDO/PGI products to Third Countries (Russia, Ukraine, China)	UNION OF PDO/PGI PRODUCERS+UACS+UACA+UNION OF AGRIC. COOP. OF ZAKYNTHOS+UNION OF AGRIC. COOP. OF NAXOS+UACK	3.811.912	1.905.956
2011	Third Countries	Information and Promotion Actions about the benefits from the consumption of Feta PDO in the third countries (USA)	ODIPPAF	4.928.352	2.464.176
2012	Internal Market	Promotion of PDO/PGI products in internal market	UHC	3.152.624	1.576.312
2014	Internal Market	Information provision and Promotion measures on basket of PGI and PDO products	ASSOC. OF LEGAL PERSONS OF PDO/PGI PRODUCERS	3.395.000	1.697.500
2015	Third Countries	Great Flavors	UNION OF AGRIC. COOP. OF ZAKYNTHOS+UNION OF AGRIC. COOP. OF NAXOS+MAGNISSIA CATTLE FARM+AGRIC. PISTACHIOS COOP. OF MOLOS+AGRIC. PRODUCTS THASOS OLIS	4.480.975	2.240.488
TOTAL				30.054.950	15.027.475

Recent multi programmes promoting FETA submitted by GR and others together

Proposal Year	Market Type	Programme Title	Organisation(s) Acronym(s)	Total Budget	Total EU co-financing
2013	Third Countries	Eureka – Discover Europe's Treasures	UNION OF PDO/PGI PRODUCERS+SC SONIMPEX SERV COM SRL	4.180.110,00	2.090.055,00
2013	Third Countries	Promotion of EU PDO/PGI products in USA and Middle East	COOP. KROKOS KOZANIS+UNION OF PDO/PGI PRODUCERS+SC SONIMPEX SERV COM SRL	3.845.256,00	1.922.628,00
TOTAL				8.025.366	4.012.683

What's new in the reform to meet the objectives?

**Targeted on EU
added value**



**Align with needs of
the sector**



**Greater
effectiveness**

- **Clear priorities** established **annually** - work programme
- Increase the promotion campaigns in **third-country market**
- Enhance the **cooperation between operators** from different MS through **multi programmes**
- **Incentive EU cofinancing** rates

- Enlarge to **new beneficiaries**
- **Wider** list of eligible **products** including processed products
- Recognition of the strategic importance of **brands** and **origin**
- Reactive in case of **crisis**
- **Technical support** services

- **New selection process** with gain in time and evaluation exclusively at Commission level through external experts
- **End-up** of **national cofinancing**
- **Simplification** of administrative procedure for **Multi-programmes : directly managed** by the Commission
- Delegation to an **executive agency** foreseen

Increased expenditure : up to 200M€

Eligible products and schemes



- ✓ All agricultural products covered excluding tobacco
- ✓ Open to certain processed products listed in Annex (beer, chocolate, pasta, sweet corn, cotton...)
- ✓ Spirits with a Protected Geographical Indication

- ✓ Wine:
 - ✓ Simple programmes = Basket approach
 - ✓ Multi programmes = Wine alone possible
 - ✓ On the internal market = Information on quality schemes or responsible consumption

- ✓ Fishery and aquaculture products : Basket approach

- ✓ Schemes : EU quality schemes, Organic, Outermost Regions, National quality schemes

A wider list of eligible products including processed products.

Consistent with other CAP promotion measures and EU policy on alcohol consumption

Proposing organisations



- ✓ Trade or inter-trade organisations representative of the sector(s) concerned at Member States
- ✓ Trade or inter-trade organisations at EU level
- ✓ Producer organisations
- ✓ Bodies with public service mission in charge of promotion of agricultural products (example: Agence Bio, Chambers of agriculture)

Clarification of the status of beneficiaries

New beneficiaries coherent with Single Common Market Organisation post 2013

Proposing organisations and delegated act

- ✓ Shall be **representative** of the sector or product concerned
- ✓ Trade or inter-trade organisations:
 - 50% rule;
 - interbranch organisations recognised by the Member State
- ✓ Group – European Quality schemes : 50% rule
- ✓ Producer organisations recognised by the Member State
- ✓ Agri-food sector body :
 - representatives of that product(s) or sector among its memberships;
 - exception: programmes carried out after a loss of consumer confidence
- ✓ **<50% : Flexibility** for lower thresholds and specific circumstances justifying treating the Proposing organisation as being representative
- ✓ **No permanent support** : 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**.

Different types of actions

Information and promotion programmes:

- ✓ 1 to 3 years
- ✓ Submitted by proposing organisations
- ✓ **SIMPLE programmes:**
 - in at least **2 Member States**, or
 - **in 1 Member State if** not the one of origin of the proposing organisation(s)
- ✓ **MULTI programmes:** several proposing organisations from several Member States + European organisations

Commission initiatives :

- ✓ Information and promotion measures :
 - ❖ High-level missions
 - ❖ Participation in trade fairs
 - ❖ Own campaigns
- ✓ Technical support services

Cofinancing rates

- ✓ ~~National cofinancing~~
- ✓ **EU cofinancing rates :**



	Type of programmes	
	Simple	Multi
Internal market	70%	80%
External market	80%	80%
In case of serious market disturbance/ loss of consumer confidence	85%	85%

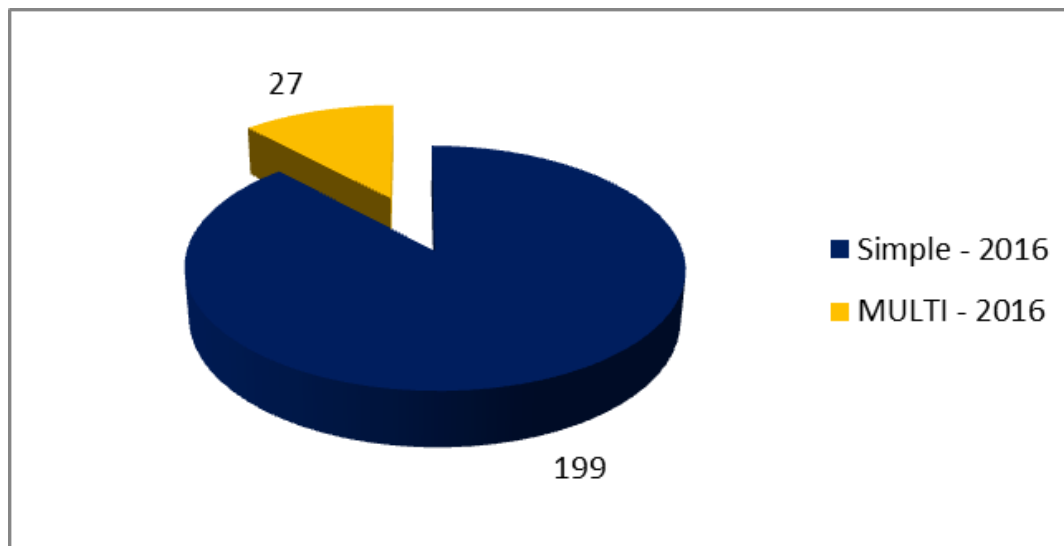
+ 5% for MS under financial assistance

The Annual Work Programme for 2016

Indicative repartition of budget for cofinanced programmes

	Amount foreseen
Simple programmes - Internal Market	26 M€
<u>Topic 1*</u> - Information and promotion programmes aiming at increasing the awareness and recognition of Union quality schemes as defined in Article 5(4)a,b and c of Regulation (EU) 1144/2014	10 M€
<u>Topic 2*</u> - Information and promotion programmes aiming at highlighting the specific features of agricultural methods in the Union and the characteristics of European agricultural and food products	7 M€
<u>Topic 3</u> - Information and promotion programmes on milk/dairy, pig meat products or a combination of those two	9 M€
Simple programmes - in Third countries	68 M€
<u>Topic 4*</u> - Information and promotion programmes targeting China, Japan, South Korea and customs territory of Taiwan	12 M€
<u>Topic 5*</u> -Information and promotion programmes targeting USA and/or Canada	12 M€
<u>Topic 6*</u> - Central and South America and the Carribean	7 M€
<u>Topic7*</u> - South East Asia, meaning Brunei, Cambodia, Indonesia, Lao, Malaysia, Myanmar, Philippines, Singapore, Thailand, Timor Leste and Vietnam	7 M€
<u>Topic 8*</u> - Africa and Middle East	4,5 M€
<u>Topic 9*</u> - other geographical areas	4,5 M€
<u>Topic 10</u> - Information and promotion programmes on milk/dairy products, pig meat products or a combination of those two targeting any third country	21 M€
Multi programmes	14 M€
Simple programmes - in case of serious market disturbance	3 M€
<i>*These programmes shall not cover milk/dairy products, pig meat products or a combination of those two. They may however cover milk/dairy products, pig meat products or a combination of those two if they are associated with other products.</i>	Total 111 M€

Proposals received - 2016



Topic	Number of proposals	Requested grant	Available budget	Requested/available
Simple - 2016	199	307.535.353	93.650.000	328%
MULTI - 2016	27	116.102.232	14.300.000	812%

Simple proposals by member state

Member state	N° of proposals	Requested EU contribution	Average proposal budget
AT	3	4.958.268	1.652.756
BE	13	13.636.394	1.048.953
BG	3	4.806.866	1.602.289
CY	1	748.591	748.591
CZ	1	742.000	742.000
DE	2	2.221.390	1.110.695
DK	3	4.833.231	1.611.077
EE	1	569.148	569.148
EL	41	72.100.046	1.758.538
ES	22	28.028.037	1.274.002
FI	2	4.778.800	2.389.400
FR	17	40.245.127	2.367.360
HR	2	3.358.650	1.679.325
HU	1	485.000	485.000
IE	5	11.629.691	2.325.938
IT	45	64.278.247	1.428.405
LT	9	11.684.062	1.298.229
LV	3	3.527.642	1.175.881
NL	4	12.078.898	3.019.725
PL	4	4.299.952	1.074.988
PT	3	2.866.489	955.496
RO	1	638.030	638.030
SI	7	3.093.778	441.968
SK	1	3.707.350	3.707.350
UK	5	8.219.667	1.643.933
TOTAL	199	307.535.353	1.545.404

* no proposals were received from Malta, Luxembourg and Sweden

Multi proposals

Coordinator member state	N° of proposals	Requested EU contribution	Average proposal budget
Belgium	2	3.220.442	1.610.221
Bulgaria	2	5.776.473	2.888.237
France	7	64.851.615	9.264.516
Germany	1	1.399.478	1.399.478
Greece	3	4.652.634	1.550.878
Italy	3	2.582.526	860.842
Lithuania	1	3.473.040	3.473.040
Netherlands	2	7.594.872	3.797.436
Spain	5	14.114.096	2.822.819
United Kingdom	1	8.437.056	8.437.056
Grand Total	27	116.102.232	4.300.083

Budget per topic

	Number of proposals	Requested grant (in million EUR)	Available budget (in million EUR)	Requested/Available	
SIMPLE	EU Quality schemes	37	29,6	10,1	294%
	Specific EU features of agricultural methods & products	35	45,9	6,7	686%
	Milk/Dairy, Pig meat products	20	41,7	9,0	464%
	China, Japan, South Korea & Taiwan	18	30,7	11,7	262%
	USA & Canada	29	38,8	11,7	331%
	Central & South America , Carribean	2	1,0	7,0	15%
	South East Asia	5	5,6	7,0	79%
	Africa & Middle East	9	12,8	4,7	272%
	Other geographical areas	11	13,3	4,7	283%
	Milk/Dairy products, Pig meat products targeting any Third Country	33	88,1	21,0	420%
	Total SIMPLE	199	307,5	93,7	328%
MULTI	27	116,1	14,3	812%	

The draft Annual Work Programme for 2017

Indicative repartition of budget for cofinanced programmes

	Indicative budget/ceiling
Simple programmes - Information and promotion measures for the Internal Market (20%)	[16 M€]
<u>Action 1</u> - Information and promotion programmes aiming at increasing the awareness and recognition of Union quality schemes as defined in Article 5(4)a,b and c of Regulation (EU) 1144/2014	[9.6 M€]
<u>Action 2</u> - Information and promotion programmes aiming at highlighting the specific features of agricultural methods in the Union and the characteristics of European agricultural and food products	[6.4 M€]
Simple programmes - in Third countries (80%)	[64 M€]
<u>Action 3</u> - Information and promotion programmes targeting <i>China (incl. Hong Kong and Macao), Japan, South Korea and customs territory of Taiwan, South East Asia, Indian subcontinent</i>	[16 M€]
<u>Action 4</u> -Information and promotion programmes targeting <i>US, Canada, Mexico</i>	[12.8 M€]
<u>Action 5</u> - <i>Africa, Middle East and Turkey</i>	[9.6 M€]
<u>Action 6</u> - other geographical areas: • <i>Central, South America, Caribbean</i> • <i>Eastern Europe and central Asia</i> • <i>Oceania, EFTA, neighbourhood</i>	[12.8 M€]
<u>Action 7</u> - Programmes on dairy and pork targeting any third country	[12.8 M€]
Multi Programmes	[43 M€]
1. Programmes increasing the awareness of sustainable agriculture and the role of agriculture for climate action on the internal market.	[15.05 M€]
2. Information on EU quality schemes	[15.05 M€]
3. Programmes highlighting the specific features of agricultural methods in the Union and the characteristics of EU agrifood products	[12.9 M€]

Total for co-financed programmes :

[123 M€]

Other possibilities: Portal on technical support services

1. Encouraging awareness of different markets

- Exporters' handbook + other market information (veterinary + phytosanitary barriers; cultural characteristics; **intellectual property rights/advise on the threat of imitation**)
- Preparatory briefings for planned business delegations (Vietnam and Indonesia in November 2016)

2. Maintaining a dynamic professional network

- Networking events
- Network of experts

3. Improving knowledge of Union rules concerning programme development and implementation

- Webinars
- Info days
- Map of the world with running programmes

Other possibilities: High level missions

Economic Diplomacy by Commissioner Hogan

Possibility to participate in the business delegation accompanying the Commissioner to his High-Level missions

2 missions already organised in 2016 (Colombia-Mexico and China-Japan)

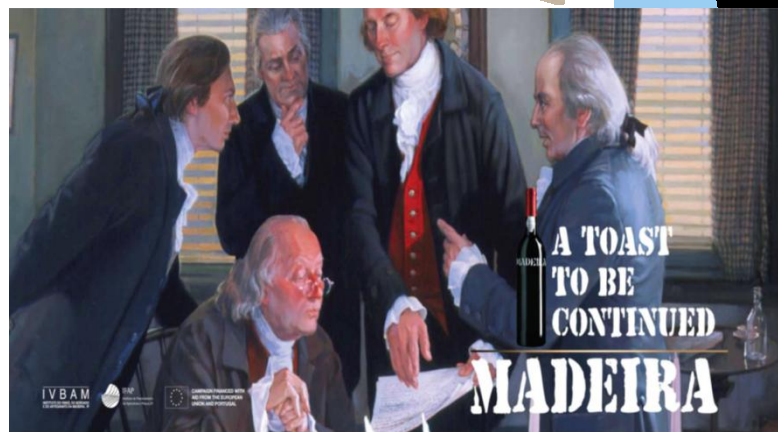
One additional mission coming up in November (Vietnam-Indonesia with a stop in Singapore)

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<https://ec.europa.eu/eusurvey/runner/HLMAGRIVietnamSingaporeIndonesia2016>

Further missions to be organised in 2017 (Africa, North America and Middle East)

Examples of successful co-financed programmes



Reasons for success

- **Very well identified target market (high quality market research)**
- **Very well identified target groups and channels of communications**
- **Tailored communication and promotion actions**
- **High quality communication (visuals, update of social media/internet sites)**
- **Synergy of previous campaigns/actions**
- **European image (high quality, tradition, variety, history, environment)**

5xday – Austria

Objectives:

- to increase regular consumption of fresh fruits and vegetables, (5xDay);
- to increase the sales of fresh fruits and vegetables by 2%
- to increase consumption of fresh fruits and vegetables among children by 3%.

Slogan: "Eat fruits and vegetables, so you become 100 years old"

Actions: Press campaign:

TV, radio, printed press, electronic medias, posters and leaflets, learning sets for schools, events with children in the nursery garden in Vienna



5xday – Austria

Communication:

Very positive feedback from the poster **campaign on Vienna trams** – huge interest from the public;

"Transport Media Award" for most creative and original advertisement on public transport in **2012 and 2013**

Thematic "suitcases" to teach children about specific varieties of fruits and vegetables in an interactive way - very popular with schools and children

Return of investment:

Already after year 1 (2013):

Increase in the value of sales:

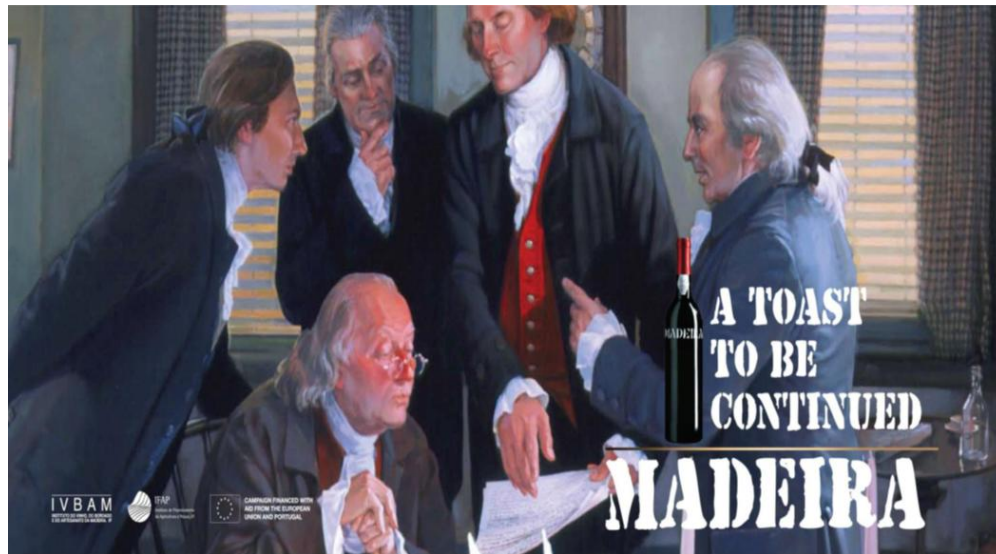
+ 4, 85% for fruits

+ 5,67% for vegetables



"Vinho Madeira – 500 anos de historia e sabor"

Objective: To promote knowledge and reinforce image positioning of Madeira Wine with Protected Designation of Origin on the American and Japanese markets



"Vinho Madeira – 500 anos de historia e sabor"

Objectives: To increase wine exports at the end of three years:

in USA;

by 15% in value

by 13% in volume

in Japan;

by 12% in value

by 10% in volume

Results: - Change in the value of exports:

to USA: 52%

to Japan: 31%

- Change in the volumes of exports:

to USA: 27%

to Japan: 26%

Total budget: 763.164 EUR

Actions: promotion actions in the retail shops (decorations, tastings), wine seminars and visits in the Portuguese wineries for distributors, wine experts and journalists, facebook and twitter activities

Information and promotion programme to promote the consumption of fresh fruits and vegetables in Lithuania



Information and promotion programme to promote the consumption of fresh fruits and vegetables in Lithuania

Objectives: Encourage 5 x per day attitude and

- Increase of the consumption of fresh fruits from 28% to 40%;
- Increase of the consumption of fresh vegetables from 16% to 30%

- Increase awareness on product quality and EU safety standards from 19% to 40%
- Increase awareness on the benefits of EU fruit and vegetables and make their choices accordingly from 29% to 45%

Target markets and groups: consumers, distributors and food professionals in Lithuania

Budget: Total budget: **2 801 811 EUR**

Actions: Press campaign (TV, radio, printed press), degustations, animations in the retail shops, participation in local/national fairs in Lithuania, electronic media, brochures and leaflets

Information and promotion programme to promote the consumption of fresh fruits and vegetables in Lithuania

Results after Year 1:

Adults who eat fresh fruit more than once daily	+ 4%
Adults who eat fresh vegetables more than once daily	- 3%
Children who eat fresh fruit more than once daily	+ 9%
Children who eat fresh vegetables more than once daily	+21%
Consumers who are aware of the EU fresh fruits and vegetable quality and safety standards	+ 51%
Consumers who are aware of the EU farm production advantages and tend to choose the EU grown produce	+40%



Promotion of EU pork and pork by products in the modern retail and food service sector in China and Hong Kong – programme from Denmark

Main Objectives:

- to position EU pork as a safe quality product and to promote EU pork under the overall message **“safe and tasty pork from EU pig producers”**
- to stimulate demand and retail sales of EU pork

Target markets and groups:

modern retailers and food service operators in China and Hong Kong

Budget: Total budget:
6 939 036 EUR

Actions: promotion actions in the retail shops, workshops for Chinese authorities, fair presences (SIAL, HOFEX) and study tours to the European producers



Promotion of EU pork and pork by products in the modern retail and food service sector in China and Hong Kong

Expected impact:

- Increase in export to 20% after 3 years
- Increased average yearly sale to retailers: + 10 million EUR after 3 years;
- Increased average yearly sale to food service operators: + 15 million EUR after 3 years;
- Increase of awareness of "safe and tasty" EU pork among shoppers to 65% after 3 years

Results after year 2:

- Increase in export to already 50%
- Higher prices achieved for European products compared to their competitors

Discover Farmhouse Cheese

Multi country programme Netherlands/Ireland/Germany

- To raise awareness and consumption of this local product with unique character
- To restore the relationship between farmer and citizen and educate citizens about the origin of food (dairy and cheeses)
- To establish a regular role for farmhouse dairy and cheese in consumer cooking

Actions :

Internet site, social media + educational materials for schools;

Farm visits +workshops how to make farm cheese;

"Cheese route" + farm finder;

October Month of the Cheese – cheese tastings in retail shops + events;

Competition for best tasting product



Greek food products are unique

Greek food products have some unique characteristics:

Made of **quality** ingredients

They have unique **taste**

Made with centuries of **tradition**

Represent a large **variety** of agricultural practices

They are indispensable part of a **healthy diet**

Their **history** goes back to ancient times

They represent an **easy, stress-free lifestyle** where food is a real pleasure

BUT

Such high quality products merit **high-quality promotion campaigns** in order to be known and successful in the globalised market

Here are some tips on how to improve such campaigns

10 Tips for better, more efficient programmes

Look for **wider choice of implementing bodies**. Allow new players and increased competition among companies.

Look for **efficient actions**. Prefer actions using new media and internet to printing brochures.

Look for **new types of actions**. Don't limit yourselves to points-of-sales promotion and business trips. Do not just copy-paste between different programmes. Try to target consumers outside the capitals.

Make the actions more cost-efficient by **not including the purchase of promotional samples** in the actions' budget and foresee a coherent mix of actions.

Target your actions to **specific consumer groups**. Do not try to target everyone, it is not possible!

10 Tips for better, more efficient programmes

Develop a **strategy** and familiarise yourself with the legislation. Persist and learn from your mistakes.

Look beyond the Greek diaspora. They know your products already. Educate those who don't.

Do **proper market research** and establish clearly what you can gain with the programme and what **ROI (return on investment)** you can achieve.

Make solid proposals by organisations that are **representative of their sector** in order to be eligible to apply.

Group yourselves together. Union is power!

Your proposals are now competing with proposals from all over Europe. You will need to change and adapt in order to succeed!

Σας ευχαριστώ πολύ για την προσοχή σας!

