

The Commission increases the budget for promoting EU agricultural products

Brussels, 10 November 2016

EU producers will receive an increased budget of €133 million in 2017 to promote EU agricultural products outside and inside the EU and to continue finding new markets.

The Commission adopted the 2017 promotion strategy for EU agricultural products with a total budget of \in 133 million compared to the \in 111 million available for 2016. This amount will co-finance several programmes, most of which will target third countries and regions, including China, Middle East, North America, South-East Asia and Japan. This orientation supports the momentum launched earlier this year by Commissioner **Hogan**'s diplomatic offensive to find new markets and support consumption of EU products abroad.

Returning from his business mission to Vietnam and Indonesia, EU Commissioner for Agriculture and Rural Development Phil **Hogan** said: "I welcome these new programmes, especially in the context of the recent market difficulties. I was just now travelling in Asia as part of our efforts to boost agri-food exports, and I am struck by the interest being shown by importers and consumers in this part of the world. The further expansion of our promotion programmes next year is also particularly important as this will also help to stimulate growth and jobs in the agri-food sector. EU wide, we see that an increase in exports of ≤ 1 billion supports roughly 14 000 jobs. I am particularly pleased that this includes a new initiative to boost products from sustainable agriculture."

A call for proposals to benefit from the 2017 promotion budget will be launched in January 2017 at the latest. Proposing organisations can apply and their campaigns, usually rolling over three years, will be co-financed by the European Commission at rates of 70-85%.

The 2017 budget represents a clear increase compared with the \in 111 million from this year, outlining the support provided to EU agri-food producers. The 2016 promotion campaign is successfully following its course as the final beneficiaries were selected and will be in a position to get their campaigns started early next year. The selected campaigns, 60 of them being single programmes and 6 multi programmes* show a more diverse and broader outreach than ever. Indeed, they cover 32 third countries, compared with 23 last year, and within the two major destinations, the USA and China, they go well beyond the most targeted areas of New York and Beijing. The products which will be the most advertised in the campaigns are fruits and vegetables (30% of the programmes), followed by meat (17%) and dairy products (15%). This reflects the importance of promotion policy to support sectors experiencing difficult market situations, like dairy and pigmeat.

An infographic of the EU promotion policy is available online

For more information on agriculture promotion policy, see <u>here</u>.

Background on the 2017 Promotion Work Programme

A number of changes are foreseen for promotion next year. As well as providing an increased budget for 2017 – \in 133 million compared to \in 111 million in 2016 at a co-financing rate of 70%-85% – an extra \in 9.5 million will be available for promotion actions directly managed by the Commission, (e.g. EU pavilions at fairs in third countries, high level missions). Some \in 63 million is earmarked for simple promotion programmes on third country markets. The plan again puts emphasis on products under EU quality schemes, from the outermost regions and from organic production, but also includes specific elements for sectors hit by market difficulties, such as dairy and pigmeat, beef and an extra \in 4.5 million available for sectors facing unexpected crises. Another new element for 2017 is an allowance (\in 15 million) for promotion programmes increasing the awareness of sustainable agriculture and the role of agriculture for climate action on the internal market.

The calls for proposals for 2017 will be published in January 2017 at the latest.

	Amounts foreseen- million €
SIMPLE PROGRAMMES in Internal Market	22.5

1. Quality Schemes	12.375
2. Generic	10.125
SIMPLE PROGRAMMES in Third Countries	63
3. China, SE Asia	14.75
4. USA Canada Mexico	11.6
5. Africa, Middle East	8.45
6. Other Regions	11.6
7. Dairy and Pigmeat	12.6
8. Beef	4
Market disturbance/additional call for proposals	4.5
Total SIMPLE	90
MULTI PROGRAMMES	Million €
Programmes increasing the awareness of sustainable agriculture and the role of agriculture for climate action on the internal market.	15.05
Information on EU quality schemes	15.05
Programmes highlighting the specific features of agricultural methods in the Union and the characteristics of EU agrifood products	12.9
Total MULTI	43
TOTAL SIMPLE and MULTI PROGRAMMES	133
Commission own initiatives	9.5
TOTAL PROMOTION ACTIONS	142.5

* A simple programme is a promotion programme submitted by one or more proposing organisations from the same Member State. A multi programme is a programme submitted by at least two proposing organisations from at least two Member States or one or more European organisations.

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