



AREPO CONTRIBUTION TO THE DEFINITION OF PRIORITIES IN THE ANNUAL WORK PROGRAMME 2022 CONCERNING PROMOTION OF AGRICULTURAL PRODUCTS

The Association of European Regions for Products of Origin (AREPO) brings together 33 European regions and more than 700 associations of producers for over 50% of European GIs. AREPO aims to promote and defend the interests of producers and consumers in European regions committed to promoting quality agri-food products.

As **member of the Civil Dialogue Group on Quality and Promotion**, AREPO welcomes the Commission's request for inputs from stakeholders to the definition of priorities in the Annual Work Programme 2022 concerning the promotion of agricultural products.

On the one hand, AREPO would like to recall to the European Commission that EU quality schemes, besides being the expression of EU culture and identity and accounting for 15.5% of the total EU agri-food exports¹, represent a sustainability tool thanks to their potential in generating public goods in terms of sustainable rural development, growth and employment, diversification of rural economy, protection of natural resources and landscape, welfare of farm animals, food security, food safety and traceability.² Therefore, EU quality schemes, as well as national quality programmes, could considerably contribute to meeting the objectives set by the Farm to Fork strategy and they should remain a priority topic in the future promotion policy.

On the other hand, the sector has been confronting with the consequences brought about by the **COVID-19 pandemic**, especially the loss of export opportunities, decreasing consumption and a change in food demands. Exports have been affected as well by international trade uncertainties mostly due to the **US retaliatory tariffs**, even if temporary suspended, and the **conclusion of the EU-UK Trade and Cooperation Agreement**.

Despite EU Promotion programmes, both simple and multi, proved so far to be effective in raising the awareness on EU Quality schemes and contributed as a useful tool in supporting EU GIs producers in their endeavours to conquer new markets and increase exports, there is still scope for improvement³.

Hence, in view of the upcoming drafting of the 2022 Annual Work Programme, the following should be strongly prioritised concerning EU Quality schemes:

INTERNAL MARKET

To restore a sizeable budget dedicated to EU quality schemes. We would like to seize this
opportunity to encourage the European Commission to reconsider the allocation of the 2021
budgetary lines for promotion programmes, both simple and multi, by restoring a sizeable
budget dedicated to promotion of EU quality schemes. As mentioned before, EU GIs already

¹ Study on economic value of EU quality schemes, geographical indications (GIs) and traditional specialities guaranteed (TSGs), 2020. AND-International, Directorate-General for Agriculture and Rural Development (European Commission), ECORYS

² AREPO Position Paper on European Commission Evaluation of Geographical Indications and Traditional Specialities Guaranteed Protected in the EU, January 2020

³ Commission Staff Working Document, <u>Evaluation of the impact of the EU agricultural promotion policy in internal and third countries markets</u>





contribute to several fundamental objectives of the Farm to Fork strategy: addressing citizens demand for traditional products with the highest possible standards of food safety and quality; ensuring economic sustainability thanks to conditions of fair competition and higher producers income; ensuring sustainable food production through the protection of rural landscape and sustainable management and reproduction of natural resources. Furthermore, in the current context where there's an increasing attention to consumption of local products, it is worth noticing that GIs are the only products with an official certification guaranteeing their origin and differential characteristics. Finally, GIs are often associated with the **production of public goods**, such as conservation of biodiversity, contribution to animal welfare, protection of cultural heritage, socio-cultural and rural development and reduction of poverty, in particular in mountainous and remote regions, where the farming sector accounts for a significant part of the economy and production costs are high.

- To maintain the current list of eligible products. The seek for coherence between promotion programmes and the EU flagship initiative for sustainable food systems, shouldn't affect the current list of products eligible for funding. AREPO urges the European Commission to adopt a holistic approach concerning sustainability. In fact, when it comes to GIs, sustainability cannot be reduced just to carbon efficiency, but all the dimensions of sustainability must be taken into account. Likewise, in line with the need for a shift towards more sustainable and healthier diets, AREPO encourages the European Commission to look for actions aiming to increase, among final consumers, the awareness and understanding of quality as a competitive factor for health and proper nutrition, including the importance of a proper intake of essential amino acids in diets. The nutritional characteristics of GIs linked to their geographical origins and largely attributed to their unique ingredients and production procedures, make them contribute to healthy diets and to curb non-communicable diseases⁴. As a result, agri-food PDOs and PGIs should be also promoted considering their role in the wider frame of a diversified and balanced diet.
- To simplify the participation with a streamlined bureaucratic process, easy to access and
 manage, in particular for small GIs groups. In fact, it should be noted that the majority of
 stakeholders involved in promotion of products under EU quality schemes are small
 associations who can't access such complex instruments. Consequently, the selection process
 favours big projects with high budgets and big partnerships.
- To encourage and fund the implementation of small projects in order to reach more producers.
- To specifically include EU Optional Quality Term (OQT) "mountain product" as an eligible scheme for action under EU Promotion policy. Around a third of all the GIs and TSG protected across the EU Member States at the end of 2017, were located in mountain areas. So far, the eligibility of the term remains too unclear compared to other schemes. As a consequence, in order to enhance the promotion of the term at EU level and increase the awareness on its characteristics, AREPO would like to suggest to the European Commission to give visibility to the OQT "mountain product" in annual Work Programmes.

⁴ FAO, 2021. The nutrition and health potential of geographical indication foods, Rome





THIRD COUNTRIES

- To restore a sizeable budget dedicated to EU quality schemes. This would allow GIs producers
 to safeguard their market shares on the long-term acting as a buffer against the impact of the
 COVID-19 crisis.
- To target consolidated foreign markets. With regards to third countries, the still unpredictable evolution of the pandemic hampers GIs export possibilities. Particularly, exploring new market opportunities could continue to be problematic, so that turning to consolidated markets that have seen recent strong growth, could be strategic. Furthermore, US tariffs make necessary to keep targeting United States as market for EU quality schemes as well as the conclusion of the EU-UK Trade and cooperation Agreement, makes United Kingdom a new third country where GIs producers will need support from the European Commission for promoting their quality products.
- To allow for flexibilities in the use of the aid for the promotion of EU quality schemes in third countries. When needed (e.g. the current case of Chinese authorities asking EU GIs producers groups to have a legal representative in the People's Republic of China to be granted to carry out promotional activities in the country), flexibilities in the use of the aid for the promotion of EU quality schemes in third countries (a change of action for instance) should be allowed in order to ensure that operations and activities will still be eligible for financial support.