



DG AGRI Working group of the Experts' Group for Horizontal questions concerning the CAP Simplification – 10 September 2014

Subject: Working document: Simplification and better regulation for the promotion policy after 2015 (Regulation following the COM(2013)812)

1. Issue description

The goal is to share and use common experience to draft delegated and implementing rules for the promotion policy after 2015 (attached the current version of the draft new basic act after the legal-linguistic revision meeting in the Council on 15 July 2014).

We would like to focus on:

- 1) the main difficulties in the implementation of current Regulation (EC) No 501/2008 and possibilities to simplify.
- 2) new elements introduced by the recent reform of promotion policy to be established in the forthcoming delegated and implementing acts (such as mention of brands or origin).

The outcome of this working group should lead to:

- 1) reduction of the overall administrative burden for operators and for the administration and
- 2) better regulation

Both elements will also play a role in mitigating the risk of errors in the sector.

Overall, the purpose of the meeting is not to go into the policy substance but to create a scheme that will be simple and easy to implement.

2. Issues for discussion into 3 workshops

2.1- Group 1

Brands

The new basic act provides that information provision and promotion measures shall not be brand-oriented. Nevertheless, it shall be possible for commercial brands to be visible during demonstrations or tastings and on information and promotional material. Each

brand shall be "equally visible and its graphic presentation shall use a smaller format than the main Union message of the campaign".

How do you see the practical applicability of this condition?

Should the implementing act (i) remain general and solely stress that the banner of brands should be "largely smaller" than the main EU message or (ii) be more specific and for example define a maximum area of [10%] for the banner of brands on all visual support?

What would be the control implications for each of these two options?

Would it be possible to apply it to all information and promotion actions and/or to all media used? Should it not be limited to the visual communication only? (in view of the difficulty to have a "largely smaller message of brands" in an audio spot for instance)

Origin

The new basic act provides that information provision and promotion measures shall not be origin-oriented. Nevertheless, it shall be possible for the origin of products to be visible on information and promotional material, subject to the following rules:

- (a) in the internal market, the mention of the origin must always be secondary in relation to the main Union message of the campaign.
- (b) in third countries, the mention of the origin may be on the same level as the main Union message of the campaign.
- (c) for products recognised under the EU quality schemes, the origin registered in the denomination may be mentioned without any restriction.

How do you see the practical applicability of this possibility? Are the rules sufficiently clear/applicable? If not, what specifications/clarifications should in your opinion be laid down in the implementing act, if any?

For example, would it be possible to apply the rules to all information and promotion actions, and/or to all media used? If not, should the rules be limited to the visual communication only?

Should the reference to origin be limited for example, to the "national origin" to avoid any misuse of "regional origin" and misleading with protected names under PDO, PGI schemes?

2.2- Group 2

EU dimension

The information provision and promotion measures co-financed by the Union should demonstrate a specific Union dimension.

What kind of criteria could be used to ensure the EU dimension of a programme and its EU added value?

How could for instance the EU dimension be demonstrated of a simple programme that is solely implemented in a MS where the proposing organisation is established?

Representativeness

The new basic act establishes that "those proposing organisation shall respect certain conditions to guarantee that they are representative and that the programme is of a significant scale." (

Would it be simpler to establish quantitative criteria taking into account the diversity of proposing organisations?

Which quantitative criteria could be established to assess the representativeness of the different proposing organisations? Should we consider the representativeness in terms of production, number of members, etc.?

Would it be possible to apply the same conditions to the different type of proposing organisations or should specific conditions be defined for each type? If you consider specific conditions necessary, please detail by category of proposing organisations defined in the regulation. Should we provide for the possibility to derogate to those criteria if duly justified or not?

2.3- Group 3

Programme in case of crisis

In line with the new crisis measures established under the common organisation of the markets in agricultural products (Regulation (EU) N°1308/2013), the regulation provides for an higher EU cofinancing rate of 85 % for programmes implemented in the event of serious market disturbance, loss of consumer confidence.

To be applicable without any misunderstanding, the conditions under which the 85% cofinancing rate applies, should be clearly established.

Which condition(s)/ which criteria('s) could be used as a "fait générateur" to determine the application of the 85% cofinancing rate in case of crisis ?

Management of simple programmes

The multi programmes will receive support through grants and their management will follow the rules established within the Financial Regulation as regards grants (see Title VI of Regulation (EU) No 966/2012).

The simple programme will be managed by the Member States after the selection has been done at the EU level. The Commission rules should therefore establish the rules relating to the implementation of the simple programmes.

From the point of view of the beneficiaries of the regime who can apply either to a simple or multi programme, the rules should be as identical as possible for simple and multi programmes.

Keeping in mind this goal of having the rules as identical as possible for simple and multi programmes (i.e. rules for grants of Title VI of the Financial Regulation – Regulation (EU) No 966/2012- will apply for multi) : How could the current

management (meaning payment, control, reporting...) of simple programmes be improved and simplified at the level of the Member States?

Monitoring and evaluation of programmes

The new regime provides for a common framework for assessing the impact of information and promotion programmes. Performance indicators should be defined at EU level. It might first be seen as an administration burden but it is necessary to evaluate the effectiveness and efficiency of the regime and the accuracy of its annual work programme.

How could the monitoring and evaluation system be developed to be effective and as simple as possible? What kind of indicators (output/ result/ impact indicators) would be relevant to monitor the promotion policy at the EU level? What do you think about the indicators used in the wine promotion (see annex): should the horizontal promotion scheme follow those indicators?

2.4- For all groups

Other relevant issues

What other elements of the regulation should be adapted in order to reduce the administrative burden for MS and / or operators?

ANNEX I – Evaluation criteria for wine promotion

(extract of the guidelines for implementation of the national support programmes in the wine sector according to Regulations (EC) No 1234/2007 and (EC) No 555/2008) – 26 April 2013

In order to evaluate the success criteria of the support (including in case of a renewal) by comparing the expected impact with the impact achieved, it is necessary to focus on the output indicators and the impact indicators foreseen in the project.

Criteria and quantitative indicators that should be used for the evaluation are:

Output indicators to measure the realisation of the actions undertaken in each project, for example:

- number of events organised;
- number of tastings organised;
- number of professionals reached by mail shots.

Results indicators (to measure the direct and immediate effects of the actions) for example:

- number of professionals/experts/importers who participated in tastings;
- number of professionals/experts/importers who participated in tastings and contacted the Producers Organisation / the producers;
- number of articles published in the press within a month of the Public Relations campaign.

Impact (measuring the benefits beyond the immediate effects) and context indicators, for example:

- sales trends in the month/six months following the campaign;
- sales trends of the beneficiary in the year following the promotion campaigns in the region in which they took place compared with the previous year and compared with the general sales trends on the market in question;
- comparison of the costs of marketing before and after the promotional actions;
- consumption trends for the product in that country;
- value and volume of export of the product promoted;
- trend in the average unit cost of the exported product in the country in which the campaigns took place;
- change in the image of European quality products, trend of the reputation.