



To the Agricultural Permanent
Representatives to the
European Union

Brussels, 10th July 2024

RE: EU Promotion Policy – Agri-food sector’s views regarding the draft 2025 Annual Work Programme

Dear Permanent Representative,

In view of the upcoming deadline of 15th July for Member States to provide the European Commission (EC) with their contributions on the 2025 Annual Work Programme (AWP) of the EU Promotion Policy for agricultural products, the undersigned 19 European agri-food sector organisations would hereby like to bring your attention to some key elements.

As communicated in our previous joint letters sent on 16 April and on 7 June, our associations are deeply worried about the negative impact of the redeployment of existing EU funds from the CAP and the Cohesion Policy on the promotion activities under the EC’s direct management (multi-programmes) as well as the EC’s own initiatives. The EC’s implementation of the European Council’s decision, announced to the stakeholders on 25 June, confirmed our fears as the promotion policy budget was reduced by €93.9 million with €0 allocated to the multi programmes and the EC own-initiatives.

The EC proposal for a €92 million budget for the 2025 AWP constitutes a dramatic cut that will be highly detrimental to the agri-food sector. The rebound in applications for the 2024 AWP calls (+36%) and the requested budget (€290.9 million), by far exceeding the available budget (€176.4 million), attest to the producers’ strong interest in the policy. This positive trend was even more pronounced for multi programmes as applications increased by 52%, thereby reflecting their confidence in them. It must be borne in mind that the decline in project submissions for the 2022 and 2023 calls, particularly for multi-programmes, was primarily due to

the 'continuation rule' and the challenges related to finding eligible partners, establishing trust, and overcoming administrative burdens.

We believe that **multi programmes are the cornerstone of the EU Promotion Policy** due to their EU-wide scope and ability to foster partnerships among organisations from different Member States. The EC's proposal to eliminate financing for multi programmes would strip the policy of its EU dimension and disadvantage smaller countries and beneficiaries who rely on this funding to run promotion campaigns. Moreover, it would increase pressure on the simple programmes (already overapplied for by 234.48% in 2024) as applications would be redirected there, further decreasing applicants' chances of being selected. Similarly, allocating €0 to the EC's own initiatives would eliminate valuable opportunities to open up new markets through high-level missions in third countries.

Looking at the **wider implications** of the EC's proposal, it is very likely that the decision will negatively impact the EU's currently positive agricultural trade balance and result in a loss of market share to less sustainable products. The recent decision by the U.S. Department of Agriculture to allocate \$300 million to promote American food and farm exports underscores the urgent need for the EU to maintain its competitive edge globally.

In light of the aforementioned, we urge you to **support the continuation of this inclusive policy with a budget of at least €185.9 million** as in 2022-2023-2024. This will ensure that the policy continues to proportionately support all sectors and sustainable agricultural practices, allowing EU producers to maintain their competitiveness on the Single Market and adapt to new and long-term market conditions, including the possible accession of Ukraine. Ultimately, a strong budget will enable the sectors to diversify markets following the dispute with China over electric vehicles.

In addition to the above and while the EC has, to some extent, reflected the 2024 AWP submission statistics for simple programmes in the proposed budget reallocation for the 2025 AWP, we believe that **further improvements are needed to mirror market realities and ensure fairness**. More specifically, if the applications for the organic and sustainable topics in the internal market were to remain stable, they would enjoy a 100% success rate as long as they would have achieved the minimum threshold. This is in contradiction with the situation for the other topics which are oversubscribed for and their chances of being successful are significantly lower. To overcome this, the topics of organic and sustainable could be merged and the additional budget should be allocated to other topics. Ultimately, we would stress the importance of avoiding discrimination against specific products or sectors, such as red and processed meat or wine.

The EU Promotion Policy has been very successful in achieving its primary objective, namely boosting the competitiveness of EU agri-food products. We hope that it continues to be an inclusive policy by equally and proportionately supporting all sectors and sustainable agricultural practices. We are counting on your support to reiterate our concerns and requests to the EC when providing feedback on the 2025 AWP.

We would be delighted to engage in further exchanges with you on the matter should you have any queries or need any clarifications.

Yours sincerely,

On behalf of the following organisations:

AREFLH – The Assembly of European Fruit, Vegetable and Horticultural Regions

AREPO – The Association of European Regions for Products of Origin

AVEC – Association of Poultry Processors and Poultry Trade in the EU countries

CEEV – Comité Européen des Entreprises Vins
CELCAA – European Liaison Committee for Agricultural and Agri-Food Trade
CEVI – The European Confederation of Independent Winegrowers
CIBC-IMV-IBC – International Butchers' Confederation
CLITRAVI – Liaison Centre for the Meat Processing Industry in the European Union
Copa-Cogeca – The united voice of farmers and their cooperatives in the European Union
EDA – European Dairy Association
EFFAB – European Forum of Farm Animal Breeders
EFOW – European Federation of Origin Wines
EUROPATAT – European Potato Trade Association
FOODDRINK EUROPE – Organisation of Europe's food and drink industry
FRESHFEL – European Fresh Produce Association
OriGIn EU – The Organization for an International Geographical Indications Network
SpiritsEUROPE – European representative body for producers of spirit drinks
Trade promotion Europe – One voice for European trade promotion
UECBV – European Livestock and Meat Trades Union