



To the EU Ministers of
Agriculture

Brussels, 7 June 2024

RE: Joint agri-food sector letter on the financing of the promotion of agricultural products

Dear Minister,

Our associations, which represent the agri-food sector, would like to hereby express our concerns about the impact of the European Council's decision (01/022024) regarding the revision of the Multiannual Financial Framework (MFF) for 2025-2027, involving redeploying €1.1 billion from the CAP and Cohesion policy to support Ukraine, on the **financing of the promotion policy**.

While the specifics regarding DG AGRI's budget reduction (€440 million) are still pending, we are concerned that this redeployment of existing EU funds could significantly affect promotion activities under the European Commission's (EC) direct management (multi-programmes) as well as the EC's own initiatives. As discussions on the redeployment of funding progress, we would like to draw your attention to the need for the promotion policy to be supported by a strong budget.

The promotion policy budget is crucial in mitigating market disruptions by conveying a positive and confident message to consumers. A strong budget acts as a safeguard against the cumulative impacts of COVID-19, high production costs, inflation, extreme weather events, animal disease outbreaks, and the influx of Ukrainian raw materials into the EU. It provides producers with tools to maintain the competitiveness of EU agriculture while supporting the transition towards greater sustainability.

The EU cannot afford to reduce promotion funding when we face greater competition as this might have repercussions on the currently positive EU agri trade-balance and even lead to EU products losing their market share to ones which might well be less sustainable. The recent decision of the [U.S. Department of Agriculture](#) to award \$300 million to build demand for

American food and farm exports in high-potential markets around the globe is indicative of the country's interest in diversifying its markets and potential to take up market space.

Although there has been a decline in project submissions for the promotion calls in 2022 and 2023, this should not be attributed to a lack of interest in the promotion policy. The drop in applications, particularly for multi-programmes, is mainly due to the 'continuation rule' (requiring a one-year break after two consecutive promotion programmes) and the inherent complexities of finding partners, establishing trust among potential applicants, and overcoming administrative burdens. Some of these challenges could be alleviated by the proposed amendments to the Delegated Regulation 2015/1829.

Interest in the EU's promotion policy remains strong. Indeed, applications for the 2024 AWP calls have rebounded to the levels of the previous years, with the requested budget amounting to €290.9 million (available budget: €176.4 million). Overall, the number of applications received by May 2024 increased by 36% (+52% for multi and +32% for simple) compared to 2023. Convinced that multi-programmes are central to promotion policy due to their EU dimension, our associations had organised workshops to raise awareness and encourage high-quality applications for the 2025 AWP. Our members who have participated in High-Level Missions and other activities organised by the EC and funded under the own-initiative budget (€9.5 million) have reported very positive views of their organisation, relevance, and impact.

Finally, we wish to emphasise that the EU Promotion Policy has successfully achieved its original objectives, namely boosting the competitiveness of EU agricultural products, largely due to making use of an adequate budget. **We rely on your support to ensure that this inclusive policy continues to proportionately support all sectors and sustainable agricultural practices with a budget of at least €185.9 million.**

We thank you in advance for your time and consideration and remain available to discuss this matter further.

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