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Evaluation support study of the EU agricultural promotion policy -internal and third country markets

AGRI/07/2018 - Lot 1

FINAL REPORT

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The United Kingdom withdrew from the European Union as of 1 February 2020. During the transition period, which ends on 31 December 2020, Union law, with a few limited exceptions, continues to be applicable to and in the United Kingdom and any reference to Member States in Union law shall be understood as including the United Kingdom.

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List of Acronyms and abbreviations

Acronyms	
ATP	Agricultural Trade Promotion Programme
AWP	Annual Work Programme
B2B	Business to Business
B2C	Business to Consumer
BTSF	Better Training for Safer Food
CAP	Common Agricultural Policy
CETA	EU-Canada Comprehensive Economic and Trade Agreement
CHAFEA	Consumers, Health, Agriculture and Food Executive Agency
CMO	Common Organisation of the Agricultural Markets-Promotion
DG	Directorate-General
DG AGRI	Directorate-General for Agriculture and Rural Development
DG CLIMA	Directorate-General for Climate Action
DG DEVCO	Directorate-General for International Cooperation and Development
DG ENV	Directorate-General for the Environment
DG GROW	Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs
DG MARE	Directorate-General for Maritime Affairs and Fisheries
DG SANTE	Directorate-General for Health and Food Safety
DG TRADE	Directorate-General for Trade
EAGF	European Agricultural Guarantee Fund
EAFRD	European agricultural fund for rural development
EB	Eurobarometer
Commission	European Commission
EMFF	European Maritime and Fisheries Fund
EQ	Evaluation Question
EQM	Evaluation Question Matrix
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FTA	Free Trade agreement
GDP	Gross Domestic Product
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas
GI	Geographical Indication
HLM	High Level Missions
IB	Implementing Bodies
ISSG	Inter-Service Steering Group
KPI	Key Performance Indicators
M&E	Monitoring and Evaluation
MFF	Multiannual Financial Framework
MS	Member State
NCA	National Competent Authorities
NGO	Non-Governmental Organisation
PCD	Policy Coherence for Development

PDO	Protected Designation of Origin
PGI	Protected Geographical Indication
PO	Proposing Organisations
PR	Public Relations
RDP	Rural Development Programmes
SDG	Sustainable Development Goals
SQ	Sub-question
SPS	Sanitary and Phytosanitary Standard
TFEU	Treaty on the Functioning of the European Union
TSD	Trade and Sustainable Development
TSG	Traditional Specialty Guaranteed
WOP	World of Perishables

Glossary

Agri(-food) products refer to (food) products produced agriculturally as opposed to through hunting, fishing, gathering, and so on.

Agricultural Trade Promotion Programme focus on the promotion of EU farm products designed to open up new market opportunities for EU farmers and the wider food industry, as well as helping them build their existing business.

Annual Work Programmes are an administrative tool used by the Commission to set the annual strategic priorities for EU spending programmes. In this case, for the promotion programme, the work programmes are adopted by the European Commission in line with Art. 8 of Reg. (EU) 1144/2014.

The **Common Agricultural Policy** is a partnership between agriculture and society, and between Europe and its farmers managed and funded by the European Commission. It aims to support farmers and improve agricultural productivity, ensuring a stable supply of affordable food; safeguard European Union farmers to make a reasonable living; help tackle climate change and the sustainable management of natural resources; maintain rural areas and landscapes across the EU; keep the rural economy alive by promoting jobs in farming, agri-foods industries and associated sectors.

The **Consumers, Health, Agriculture and Food Executive Agency (CHAFEA)** is an executive agency for the management, technical and financial implementation of four spending programmes, including the multi programmes supported by the Agricultural promotion policy.

A **Competent National Authority** is the responsible service designated by the government of the Member State for managing a particular spending programme or legislative requirement. In the case of the Agricultural promotion policy, the competent national authority is the responsible service charged with the implementation of simple programmes.

High Level Missions are a Commission initiative delivered under the Agricultural Promotion Policy. Specifically, they constitute third country missions for European officials and business delegates to engage with target audiences (e.g. business representatives) and governments with the aim of opening up international markets, facilitating international partnerships and supporting exports by providing information on EU products.

Implementing Bodies are selected by proposing organisations and are responsible for the day-to-day implementation of the programmes.

Key Performance Indicators are measurable programme milestones for key actions indicating a level of progress of an initiative or measure, often against a target.

The **Multiannual Financial Framework** (MFF) sets out the EU's long-term budget. It sets the limits for EU spending - as a whole and also for different areas of activity - over a defined period. The most recent MFF covered the period 2014 – 2020. The next will cover 2021 – 2027.

In the context of the Agricultural Promotion Policy, a **multi programme** is a programme submitted by at least two proposing organisations from at least two Member States or by at least two EU organisations, which is managed by CHAFEA.

Protected Designation of Origin is a label given to products that are produced, processed and prepared in a specific area, using a particular, usually traditional, method.

Protected Geographical Indications identify a product as originating in a particular area, which may be a whole country; the product's given quality, reputation or other characteristic must be attributable to this area and at least one of the production steps must take place in the defined area.

In the context of the Agricultural promotion policy, a **proposing organisation** is used to describe both applicants and beneficiaries of the simple and multi programmes, depending on the stage of the procedure. The proposing organisation is a body governed by public law within the meaning of Directive 2014/24/EU, it must select bodies responsible for implementing programmes in accordance with the national legislation transposing this Directive.

In the context of the Agricultural Promotion Policy, a **simple programme** is a promotion programme submitted by one or more proposing organisations from the same Member State and managed by national authorities together with DG AGRI.

Traditional Speciality Guaranteed (TSG) is a label highlighting the traditional aspects such as the way the product is made or its composition, without being linked to a specific geographical area. The name of a product being registered as a TSG protects it against falsification and misuse.

ABSTRACT

This report examines the European Union agricultural promotion policy targeting internal and third country markets. The study takes as its starting point the Regulation (EU) No 1144/2014 and focuses on assessing the particular changes in implementation and scope as compared to its ruling under Regulation (EU) 3/2008; an increased budget and co-financing rates; broadened scope (measures supported, eligible beneficiaries and products); simplified administrative processes, and more focus on third country markets.

The study analysed secondary data, complemented with primary data collection to examine the effectiveness, efficiency, relevance, coherence and EU added value for measures supported to date.

Although it is too early to confirm the full effects and effectiveness of measures implemented, they appear well aligned with the objectives. Meanwhile, the reformed policy design has overall been positive, with the exception of the monitoring and evaluation design, where improvements are needed. The relevance of the general and specific objectives of EU agricultural promotion policy and activities supported are confirmed. As is the EU added value, the internal coherence and coherence with national policies. The EU agricultural promotion policy is also consistent with other related EU policies. However, it will be important to ensure that this remains the case, taking into account the Commission's renewed emphasis on environment with the Green Deal, for example.

RESUME

Ce rapport examine la politique de promotion des produits agricoles de l'Union européenne ciblant le marché intérieur et celui des pays tiers. L'étude s'appuie sur le Règlement (UE) Nr 1144/2014 et analyse les changements spécifiques dans sa mise en œuvre et son champ d'application par rapport au régime du Règlement (UE) No 3/2008, c'est à dire: l'augmentation du budget et des taux de cofinancement ; le champ d'application élargi (mesures soutenues, bénéficiaires et produits éligibles) ; la simplification des processus administratifs et l'accent mis sur les marchés des pays tiers.

L'étude a analysé des données secondaires, complétées par des données primaires afin d'examiner l'efficacité, l'efficience, la pertinence, la cohérence et la valeur ajoutée européenne des mesures mises en œuvre à ce jour.

Bien qu'il soit trop tôt pour confirmer tous les effets et l'efficacité des mesures en vigueur, ces effets semblent bien alignés sur les objectifs. De plus, la réforme de cette politique a été globalement positive, à l'exception de la conception du suivi et de l'évaluation, où des améliorations sont nécessaires. La pertinence des objectifs généraux et spécifiques de la politique de promotion agricole de l'UE et des activités mises en œuvre est confirmée, tout comme la valeur ajoutée de l'UE dans ce domaine, la cohérence interne de cette politique et sa cohérence avec les politiques nationales. La politique de promotion agricole de l'UE est également cohérente avec d'autres politiques européennes connexes. Cependant, il sera important de veiller à ce que cela reste le cas, en tenant compte de l'accent mis par la Commission sur l'environnement notamment avec le Green Deal, par exemple.

1. INTRODUCTION

This section explains the purpose and the structure of the document.

1.1. Purpose of the document

The context for the assignment is the requirement by Article 26(1) Regulation (EU) No 1144/2014 for the Commission to submit to the European Parliament and to the Council an interim report on the application of this Regulation in 2018[1]. The 2018 Interim Report found 'a high interest in the reformed promotion policy' and that 'the evaluation procedures for promotion programmes have proved to be efficient', mentioning the overall satisfaction of the stakeholders with the reformed policy. The Interim Report did not suggest any amendments, but it referred to this study for a further evaluation.

The present report presents an independent study of the 'Evaluation of the EU agricultural promotion policy – internal and third country markets' to support the Commission preparation of a report to be submitted by the Commission to the European Parliament and the Council on the application of Regulation (EU) No 1144/2014 by December 2020, as requested by Article 26 sub 2 of Regulation (EU) No 1144/2014.

1.2. Report structure and content

This report is structured as follows:

Chapter	Content and alignment with specifications
Executive Summary	A summary of the document.
Chapter 1: Introduction	Describes the purpose of the document, and report structure.
Chapter 2: Background	Provides context of the evaluation support study
Chapter 3: Methodology	Recalls the evaluation purpose, design and conduct of the evaluation.
Chapter 4 - 8: Assessment by evaluation criteria	These chapters present an assessment against each evaluation criteria as well as recalling the methods and data sources used.
Chapter 9: Key findings	A summary of findings for each evaluation criteria.
Chapter 10: Conclusions and Recommendations	The conclusions and recommendations.
Annexes	**Annex A:** EQM **Annex B:** Documentary review **Annex C:** Online survey report **Annex D**: Case study reports

[1] European Commission, Report from the Commission to the European Parliament and the Council, Interim Report in accordance with Article 26(1) of Regulation (EU) No 1144/2014 of the European Parliament and of the Council of 22 October 2014 on information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries and repealing Council Regulation (EC) No 3/2008, SWD(2018) 482 final.

2. BACKGROUND

This section presents the background to EU agricultural promotion policy in the period reviewed: 2016 to 2019 for the Commission's own initiatives, and 2016 to 2017 for the simple and multi programmes.

2.1. Introduction

In this introductory section, an overview of the EU agricultural promotion policy is presented to confirm the logic of EU intervention in this area. An Intervention Logic is the starting point for any evaluation, as it provides an understanding of how the intervention is expected to work, by describing the chain of events that leads from the measures under scrutiny to the intended change. At the same time, the Intervention Logic provides a conceptual framework for the evaluation, illustrating the key elements that the evaluation will have to assess, and how they relate to each other. This chapter uses the intervention logic, as described in Figure 1, as a framework to outline the understanding of the policy: as follows:

		Relevant section
Introduction	Approach to chapter and presentation of Intervention logic and key elements	2.1
Needs and challenges in the EU agricultural market	What was the rationale for the promotion policy? What were the 'needs' that triggered the EU intervention? What problems was the policy meant to solve?	2.2
Context (EU legal and policy framework)	Legal and policy context: the legal and policy framework underpinning the intervention.	2.3
Policy design and management	How is the EU agricultural promotion policy designed, in terms of its programming, selection and management? Who are the key stakeholders involved in the intervention?	2.4
Objectives	What objectives was the EU agricultural promotion policy meant to achieve? What was the 'positive desired situation'? What were the expected changes that the EU wanted to achieve?	2.5
Inputs	What inputs (staff, time and money) were used both from DG AGRI and CHAFEA but also – given this is co-financed - at the level of the proposing organisations?	2.6
Activities	Which activities are carried out in order to achieve the expected effects? How was the intervention designed to function? Who was expected to be involved? How were they expected to be involved? Were they responsible for taking a particular action?	2.7

Figure 1: Intervention logic of the EU agricultural promotion policy

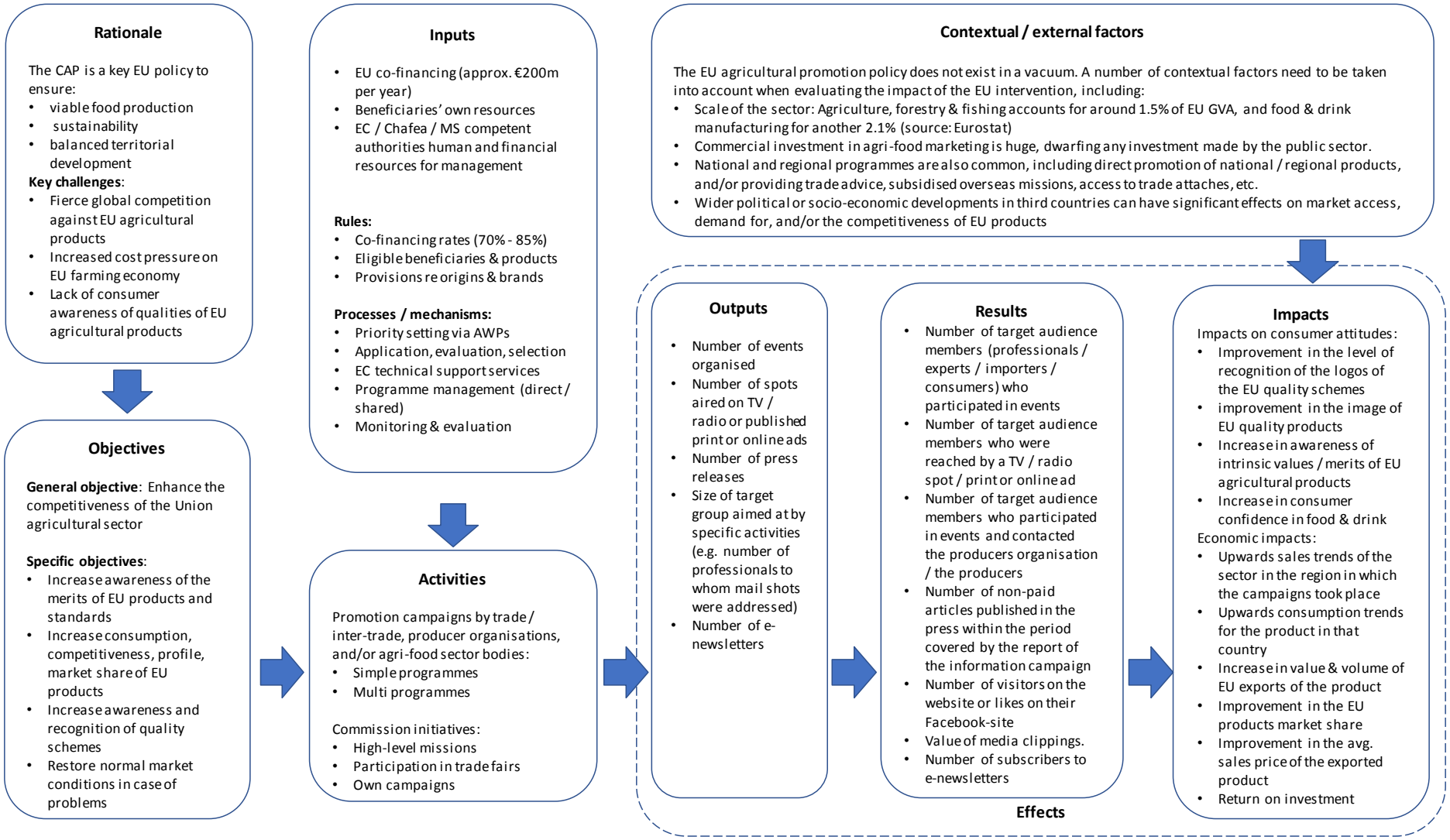


Figure 1 presents the intervention logic of the EU agricultural promotion policy in line with the requirements of the Better Regulation Guidelines. The following is highlighted:

- The second column has been split into (1) inputs, i.e. financial and other resources invested; information on the main elements of the legal framework and management, as well as support processes that were important to assess, and (2) the activities aimed at the target audiences.
- The expected effects of the activities are split into outputs, results and impacts, and largely follow the logic of the indicators defined in the legal framework. Impacts should be differentiated for consumers (see above *'impacts on consumer attitudes'*) and for customers (e.g. trade buyers). Many decisions are made by customers and not end consumers, whether these customers are buying for food service or retail outlets. The evaluation assesses the adequacy of these three categories.
- As highlighted below, whilst the logic of intervention infers that there is a causal link between outputs and results, it is likely to be more challenging to understand how these programme level elements generate impacts on consumers and at the economic level. These elements are further explored in the evaluation.
- Finally, key external factors (top right of the diagram) have been incorporated which, as discussed previously, complicate the measurement and attribution of impacts to the EU policy intervention. In addition to the contextual factors mentioned above, ongoing changes in the factors which drive consumer choice e.g. new lifestyles, higher incomes, more eating on the go or out of the home, increased interest in and knowledge about provenance, greater demand for convenience etc. also add to the general attribution problem of impact evaluation. This means that it is not possible to isolate and estimate accurately the specific contribution of a programme and ensure that causality runs from the implementation of the measures to the observed changes in the market and the objectives to be met by the policy.

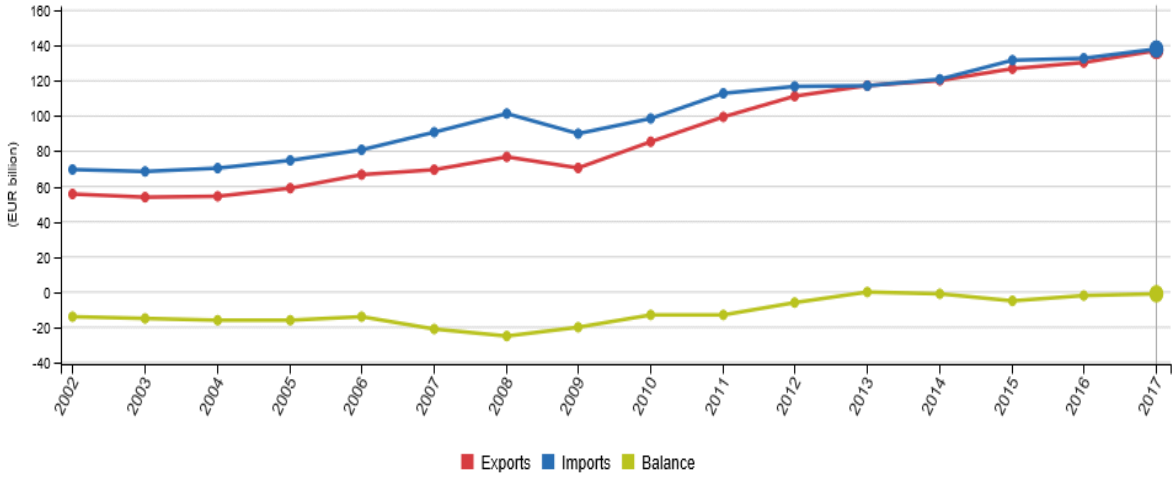
2.2. Needs and challenges in the EU agricultural market

The production of and trading in agricultural and agri-food products is a major asset for the EU. There are around 10 million farms in the EU and 22 million people work regularly in the sector[2]. The EU food and drink industry employs 4.72 million people, generates a turnover of €1.2 trillion and €236 billion in value added, making it the largest manufacturing industry in the EU[3].

Agricultural production is also an asset in trade with non-EU countries. The EU boasts an important trade surplus in trade in food and EU food specialities are well appreciated overseas. As the graph below shows, between 2002 and 2017, trade values more than doubled, with an average annual growth of 5.4%, and exports (6.2%) growing faster than imports (4.7%). At the same time, the trade deficit in agricultural products was progressively reduced, especially in the period after 2012, and was equal to around €1 billion in 2017[4].

[2] European Commission, the common agricultural policy at a glance, see here.
[3] FoodDrink Europe, Data & Trends, EU Food and Drink Industry 2019. Available here.
[4] Eurostat, *Statistics explained*. Available here.

Figure 2: Extra-EU exports, imports and trade balance of agricultural products, 2002-2017

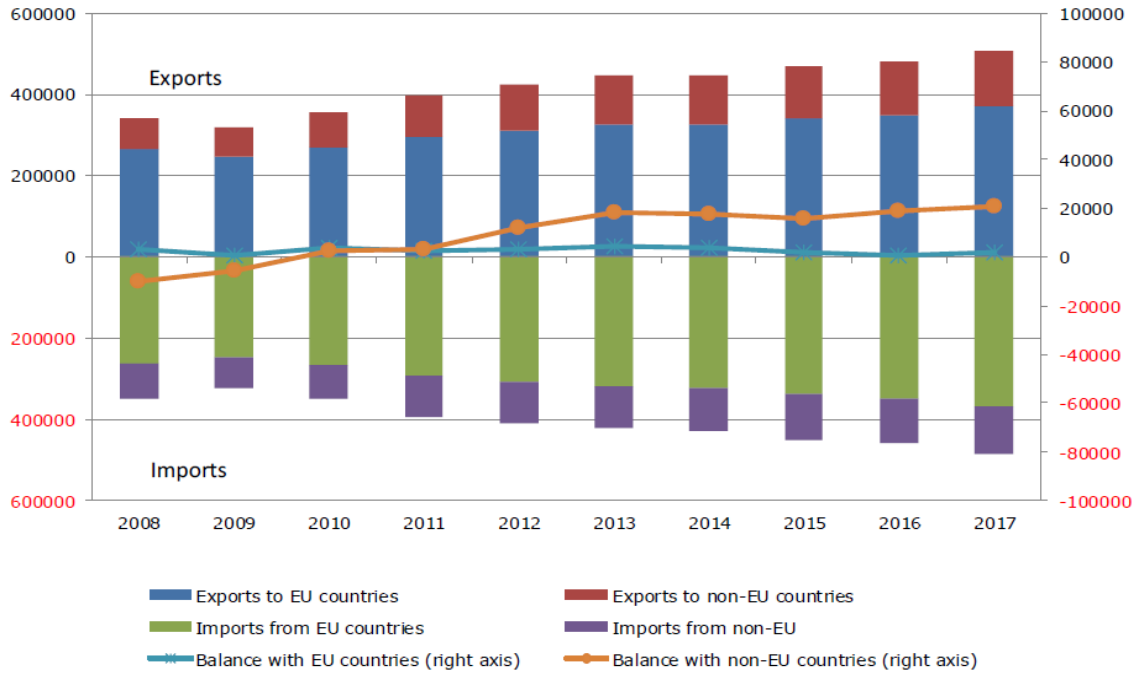


Source: Eurostat

In 2017, the share of EU exports in global agri-food exports represented 16.9%[5]. Meanwhile, as shown in the Figure 3, in 2017 the share of intra-EU exports of agricultural products represented about 75% of total exports, whereas the share of imports from non-EU countries represented less than 25% of total imports. In other words, most agricultural products produced in the EU are destined for consumption inside the EU[6], either in the Member State in which they are produced or in other Member States.

[5] European Commission, CAP indicators (2017). Available here.
[6] DG AGRI, Agriculture in the European Union and the Member States - Statistical factsheets, May 2018.

Figure 3: Evolution of agricultural trade, EU28 (million €), 2008 - 2017



Source: DG AGRI 2018, 'EU Agricultural Outlook – For markets and income 2018-2030'.

EU exports in agricultural products are driven by foodstuffs[7], rather than by unprocessed animal or vegetal products. Food stuffs accounted for 56% of all exports of agricultural products in 2017 and produced a trade surplus of €33 billion with the rest of the world (up from €6 billion in 2002). By contrast, unprocessed vegetal products make up the majority of imported agricultural products imported into the EU (48%), with a trade deficit of €36 billion in 2017.[8]

Looking at the main trading partners for agricultural products, in 2017 the United States was the main recipient of EU exports of agricultural goods, receiving 16% of all EU exports (see Figure 4). The EU was the fourth largest exporter of agricultural products to the United States after Canada, China and Mexico.[9] As can be seen in Figure 4 below, other crucial third country markets for EU agricultural products are China (8%), Switzerland (6%), Japan (5%), Russia (5%) and Norway (4%). In terms of imports to the EU, Brazil, the United States, China and Norway were the top import partners in 2017, along with Argentina and Ukraine.

Beyond the six main export destinations (accounting for only 43% of the exports' value) European exporters have developed specific markets, for instance in Africa and in the Middle East. The importance of EU agri-food exports relies on the wide variety of products and of quality levels, from luxury wines sold to the most prestigious destinations to meat sold to less economically developed populations. Various factors play into the attractiveness of European agri-food products, providing a comparative advantage for the food and drink industry and supporting competitiveness. These are presented in the next box:

[7] Eurostat Glossary: Food (or foodstuff) relates to any substance or product, whether processed, partially processed or unprocessed, intended to be, or reasonably expected to be ingested by humans.
[8] Eurostat (2020) EU-27 trade of agricultural products, 2002-2019. Available here.
[9] United States of America, Department of Commerce, International Trade Administration. Available here.

Establishing and harmonising of key legislation under the **General Food Law** and adopting coherent horizontal approaches at EU level (for example **'From Farm to Fork'** on food safety and the 2020 'Farm to Fork Strategy' which is being pursued in line with the European Green Deal).

In particular, **regulation concerning voluntary geographic indications and traceability** are important positive developments supporting industry competitiveness.

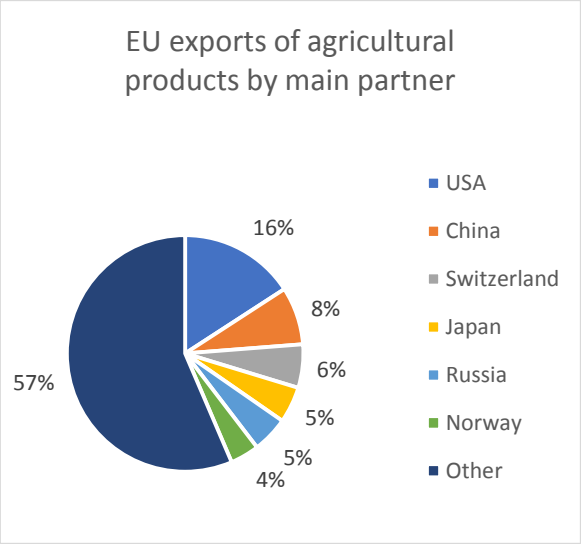
Food safety regulation supporting the high-quality levels of the food and drink produced in Europe offer a strong international competitive position. Especially with a growing middle class in emerging markets, the reputation of EU food and drink products as being high quality is becoming increasingly important in taking advantage of export opportunities in new markets.

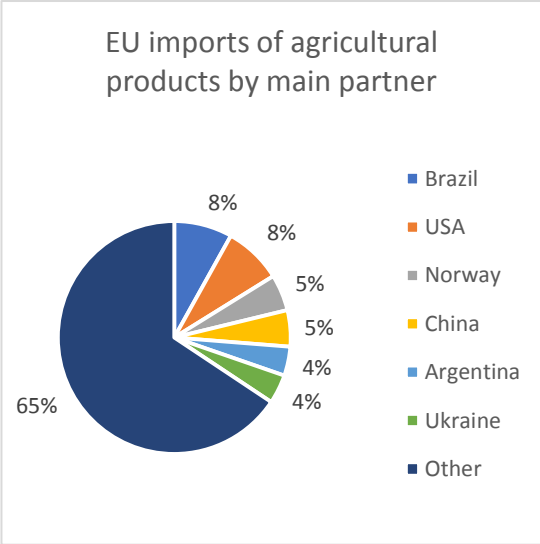
Overall, the EU food industry's main competitive advantage lies in its **high requirements for food safety, the quality of its products and its image**. Provided the target markets have sufficient income, food that is safer and appeals to the aspirations of the global middle class is preferred.

Box 1: Comparative advantages of the EU food industry

The analysis of figures shows that export plays an important role for the European agri-food economy and agri-food exports play an important role in the EU trade balance.

Figure 4: EU exports and imports of agricultural products by main partner, 2017





Source: Eurostat

However, in the last few years the EU has faced certain challenges (discussed also under relevance, chapter 6) presented in **Box 2**.

Competition against EU agricultural products: Increased liberalisation of trade, abolition of export refunds, reduction of Europe's influence on world commodities, as well as the promotion policies of EU competitors have created fierce competition against European agricultural products.

Cost pressures on the EU farming industry: stricter production standards and strengthened requirements related to environment and climate change have put increased cost pressure on the EU farming and food-processing economy because costs are rising faster than agricultural product values.

External trade shocks, e.g. Russian import restrictions on a range of EU agricultural products imposed in August 2014. The ban has clearly impacted EU agri-food exports to Russia, which halved from around EUR 11.8 billion in 2013 to around EUR 6 billion in 2017.

Box 2: Challenges to the EU agriculture

2.3. Context: Legal and policy framework

The Common Agricultural Policy

The Common Agricultural Policy (CAP) with its objectives to maintain a competitive, secure, fair, innovative and sustainable agricultural system in Europe and to offer quality food products to Europeans, has been a key priority area for the EU since its founding.

Successive reforms have responded to modern challenges such as by integrating environmental requirements and reinforcing support for rural development. More precisely, the 2013 reform of the CAP[10] that entered into force for the 2014-2020 Multiannual Financial Framework (MFF) pursues three main objectives to:

- Achieve enhanced competitiveness through viable food production.
- Improve sustainability through a sustainable management of natural resources and climate action; and
- Increase effectiveness through a balanced territorial development.

Information provision and the promotion of agricultural products are one of the key tools of the CAP (alongside e.g. product differentiation and quality programs) to achieve the first objective of the reformed policy – precisely, to increase the competitiveness and consumption of EU agricultural products and to increase their market share.

By finding new markets, consolidating existing ones and raising awareness among consumers inside and outside of Europe about the high standards and high quality of EU agricultural products, promotion policy contributes to the Commission's objective of ensuring jobs and growth in rural areas and to tackling increased pressure on the EU agricultural sector[11].

[10] Regulations (EU) No 1308 / 2013; 1307 / 2013; 1306 / 2013; 1305 / 2013
[11] DG AGRI, Strategic Plan 2016 – 2020.

In addition, by explaining to consumers and importers the high standards and the quality of EU agri-food products, EU promotion programmes can support European producers in an increasingly competitive world. A reinforced promotion policy and EU quality schemes[12] also help to cement recognition of EU products around the world[13].

EU agricultural promotion policy

The 2008 Regulation

Given the importance of the agricultural sector for the EU economy and the challenges arising from globalisation, in 2008 the European Council adopted a Regulation on information provision and promotion measures for agricultural products in the internal market and in third countries[14]. The general aim was to implement 'information and promotion measures aimed at highlighting the intrinsic features and advantages of the products of the European Union, notably the quality and safety of food, specific production methods, nutritional and health value, labelling, high animal welfare standards and respect for the environment'[15] in an increasingly competitive global context[16].

The reformed EU agricultural promotion policy

In 2013 the Commission put forward a proposal to reform the agricultural promotion policy[17]. The aim of the reform was to maintain and increase the competitiveness and market share of EU agricultural products in both the internal and export markets[18]. Within this context, the Commission acknowledged the need for a 'modern and ambitious policy of promotion', which is 'restructured for its beneficiaries', 'bolstered in terms of the resources available and which distinguishes in terms of its approach between the internal market and third country markets'[19].

In 2014 and 2015 the reformed agricultural promotion policy came into force through the adoption of the following:

- **Regulation No. 1144/2014[20]:** lays down the rules under which information provision and promotion measures (such as public relations, information campaigns, participation in events, fairs and exhibitions) relating to agricultural products in the EU and third countries can be (co)funded by the EU.
- **Regulation No. 1829/2015[21]:** lays down the conditions under which a proposing organisation may submit a simple or multi programme and must select bodies responsible for implementing simple programmes, the conditions

[12] E.g. Protected Designation of Origin (PDO) and Protected Geographical Indication (PGI)
[13] DG AGRI (2018). Annual Activity Report.
[14] Council Regulation 3/2008 of 17 December 2007 on information provision and promotion measures for agricultural products in the internal market and in third countries.
[15] Handbook for the Programs on the Promotion of Agricultural Products within the Framework of Council Regulation (EC) No 3/2008 and Commission Regulation (EC) No 501/2008.
[16] COM (2018) 788 final.
[17] At that time, Council Regulation (EC) No 3/2008 of 17 December 2007 on information provision and promotion measures for agricultural products on the internal market and in third countries was in force.
[18] European Commission, Proposal for a Regulation of the European Parliament and of the Council on information provision and promotion measures for agricultural products on the internal market and in third countries, COM (2013) 812 final, 21 March 2013.
[19] Ibid.
[20] Regulation (EU) No 1144/2014 of the European Parliament and of the Council of 22 October 2014 on information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries and repealing Council Regulation (EC) No 3/2008.
[21] Commission Delegated Regulation (EU) 2015/1829 of 23 April 2015 supplementing Regulation (EU) No 1144/2014 of the European Parliament and of the Council on information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries.

of eligibility of simple programmes and their costs for Union funding, and the administrative penalties concerning simple programmes.

- **Regulation No. 1831/2015[22]:** lays down implementing rules regarding the visibility of origin and brands in simple and multi programmes, as well as the rules under which a proposing organisation may be authorised to implement certain parts of a simple programme. It also lays down specific rules for the conclusion of contracts, management, monitoring and controls for simple programmes and a system of indicators for the assessment of the impact of information and promotion programmes.

Key changes implemented through the reformed policy

The reformed EU agricultural promotion policy sought to address weaknesses identified under the previous policy and legal framework on agricultural promotion policy and external evaluation[23]:

Policy design

- Scope of measures:
  - The new measures can cover a larger selection of agricultural products as well as food products (e.g. chocolate), with certain flexibility to mention brands and origin of products (Article 4 of Regulation 1144/2014). Moreover, the range of eligible beneficiaries was also extended to include producer organisations and EU level organisations[24].
- Additional measures:
  - The reformed policy provides for **specific temporary arrangements** in response to market turbulences hindering EU trade such as a serious market disturbance or loss of consumer confidence.
  - The new Regulation foresees the establishment of **technical support managed by the Commission** to help operators participate in co-financed programmes, prepare efficient campaigns and develop activities on export markets[25].
- Budget and co-financing rates:
  - Regulation 1144/2014 ends national co-financing which has led to distortions of competition due to diverging financing rates. These are compensated by **significantly higher EU co-financing rates** in comparison to the previous regime.
  - Compared to the previous scheme, there was a **significant increase in the aid allocated to information and promotion campaigns** (i.e. €61 million in 2013 to €200 million in 2019). This brings the EU more in line with the spend in the US (see box 3).
- Evaluation and monitoring: Contrary to the previous regime, follow-up output, result and impact indicators have been defined to better evaluate the efficiency of the promotion measures[26].

[22] Commission Implementing Regulation (EU) 2015/1831 of 7 October 2015 laying down rules for application of Regulation (EU) No 1144/2014 of the European Parliament and of the Council on information provision and promotion measures concerning agricultural products implemented in the internal market and in the third countries.
[23] Commission-financed Evaluation support study, 2011. Available here.
[24] See Preamble 12 to the Regulation (EU) 1144/2014
[25] CHAFEA Q&A related to Calls for proposals 2020. Available here.
[26] See Preamble 22 to the Regulation (EU) 1144/2014

Management and implementation

- Whereas previous Regulation 3/2008 relied programming on only occasionally updated guidelines, Regulation (EU) 1144/2014[27] established an **EU promotion strategy** to better target promotion measures and increase the number of programmes aiming in particular at third countries[28].The new scheme created a structural framework through **Annual Work Programmes** (AWP), allowing for the definition of strategic priorities (target groups, products, themes or target markets).
- Under the reformed policy, **priority is given to programmes targeting third countries** to take advantage of their larger growth potential, whereas under the 2008 Regulation, only a third of the submitted proposals covered third countries. Moreover, prioritising third country markets avoids the risk of displacement (i.e. the risk that promoting a given product type could reduce the market share of another), which is present for the internal market promotional activities, except for products which are unique to only one region or country.
- **Simplification of administrative procedures:** Selection is taking place in one phase at the Commission while the pre-selection phase at the level of Member States is eliminated**.** With regard to programme implementation, the new Regulation has simplified the rules for submitting practical documentation, such as invoicing documents or yearly reporting (instead of quarterly).
- **Simplification of management:** The new Regulation prescribed the centralised management of multi programmes directly by the Commission. The rationale behind this simplification was to remove obstacles posed by coordination issues between different national authorities and thereby to facilitate the implementation of multi programmes which offer high EU added value[29].

How DG AGRI funds fit into the bigger picture of spending on agricultural promotion

The EU agricultural promotion policy does not operate in a vacuum but complements other programmes run by the European Commission and at national level that are relevant as part of assessing the policy's coherence, i.e. in what ways the EU agricultural promotion policy complements other programmes and whether there is any significant overlap or contradictions between them. A detailed discussion on the coherence with other policies at the EU level and in a national EU is provided in chapter 7. Illustrative examples on agricultural promotion measures at national level are cited below, followed by the broader global context and evidence from the private sector.

[27]Regulation (EU) No 1144/2014 of the European Parliament and of the Council of 22 October 2014 on information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries and repealing Council Regulation (EC) No 3/2008

[28] CHAFEA, Legal Framework. Available here.

[29] Interview with CHAFEA, 25/07/2019 and recital n. 20, reg. 144/2014

Box 3: Illustrative examples of (spending for) agricultural promotion at national level

- **Czechia**, State Agricultural Intervention Fund (SZIF): The Fund manages a programme promoting consumption of quality foodstuff products of national origin; eligible products are promoted mostly through print media.
- **Ireland**: Bord Bia in Ireland in their 2018 report show that they support 15 offices outside of Ireland, spent EUR 43 million on marketing and promotion of Irish food and drink in 2018 and give small grants for marketing to companies in Ireland.
- **France**, National Food Plan: The French Ministry of Agriculture, Agrifood and Forestry is coordinating the Plan which aims to support children's nutrition at schools. The French government also runs the national nutrition and health programme from 2011-2015, aiming to increase consumption of fruit and vegetables by children aged 3-17.
- **Hungary**: the Hungarian government adopted the National Diet Policy in 2010 and the National strategy for healthy Hungary 2014-2020 to prevent obesity and its adverse public health effects. The Hungarian Chamber of Agriculture since 2016 manages the communication actions on fruit and vegetables.
- **Poland**: Funds for the promotion of agricultural products. The programme is comprised of ten sectoral funds aimed at the promotion of agricultural products. Each sectoral fund focuses on domestic promotion strategies, however they may contribute to simple and multi programmes, as these are co-funded at the national level (in Poland's case through these sectoral funds). In the period 2009-2016, the average aggregated budget of the funds equalled EUR 9.6 million.
- **United Kingdom:** The UK has a Food and Drink Exports Action Plan which is jointly delivered by government and industry. There is a process during 2019-

Moreover, **setting the EU promotion policy in the broader global setting, it can be argued that it aims not only at growing market share but also to maintain existing market positions in a strongly competitive environment**. The **U.S. Department of Agriculture**, for instance, issued funding at the scale of $300 million in 2019 alone through the Agricultural Trade Promotion Programme (ATP) to help U.S. farmers and ranchers identify and access new export markets[30]. Parts of the USA[31] also run programmes through which importers of US products can receive assistance (via their US trade partner) to support the marketing of imports of US food and drink products.

At the same time, over the past few years, **Russia has seen exceptional growth in the agriculture sector**, which has sparked a serious interest among investors, especially from sovereign wealth funds in the Middle East and large Asian financial corporations[32]. The Russian Export Centre offers a wide range of services to promote Russian goods in cross-border markets, and regional authorities also provide feasible support to businesses[33].

[30] United States Department of Agriculture, Foreign Agricultural Services (2019) ATP Funding Allocations, Available here.
[31] Food Export Associations USA, Market Promotion. Available here.
[32] Vitaly Sheremet, and Ludmila Zueva (2019) The Agriculture and Food Sector in Russia: Global Opportunities for Growth, Russo-British Chamber of Commerce Bulleting online, 01 May 2019. Available here.
[33] Explanation on the Russian Expert Centre and the tools, Available here.

The scale of governmental funds spent on agricultural promotion should be put in context in line with private sector initiatives aimed at food advertising. Global corporate food and drink companies have very high marketing spend, e.g. Unilever[34] spent €7.3 billion in 2019 on marketing and promotion across the group (food and household combined). In 2018, 40% of Unilever's turnover was food and drink related at €20 billion (and 58% of operating profit), so whilst separate figures were not published it is possible that over €2 billion was invested in food and drink marketing.

A marketing budgets study in 2017[35] shows that packaged goods companies allocate by far the largest percent of total company budget to marketing (24%, i.e. nearly one quarter). If this same ratio is applied to the EU food industry, it can be estimated that the EU food industry spends circa €288 billion on marketing. To give a concrete example, according to Nestlé's 2018 annual report, marketing and administrative expenses reached CHF 20 003 million compared to net sales of CHF 91,439 million (this is a ratio of 22%, close to the 24% indicated in the 2017 study). **This data suggests that governmental funds granted to professional bodies in Europe, the USA or in other countries have a negligible weight compared to companies' own marketing budgets.**

2.4. Policy design and management

This section provides an overview of how the EU agricultural promotion policy is designed, in terms of its programming, selection and management.

Types of measures funded

Regulation 1144/2014 foresees the funding of three different types of information and promotion measures, namely simple programmes, multi programmes and Commission own initiatives.

Simple programme: submitted by one or more proposing organisations from the same EU Member State to be implemented over a period of one to three years. In the AWP, more than half of the budget allocated for Simple programmes were targeted at third country markets in 2016-2018. However, it must be noted that in practice more than the 20% is allocated in AWP to the internal market are spent on promotional activities in the EU market; or

Multi programme: submitted by two or more proposing organisations from at least two EU Member States or one or more pan-European trade or product organisations and associations (often taking the role of coordinator), to be implemented over a period of one to three years. Multi programmes have been mainly used to fund internal market promotion activities in 2016-2018, although it is noted that the share of third countries multi programmes has been rising.

Additionally, the Regulation allows for measures to be funded on the **initiative of the Commission**. Their aim is to contribute to the opening-up of new markets and provide a prompt and effective response in the event of a serious market disturbance or loss of consumer confidence. It should be noted that according to the Annual Work programmes (AWPs, see below) simple or multi programmes may also aim at restoring normal market conditions in the event of serious market disturbance, loss of consumer confidence or other specific problems.[36] To make a clear distinction between

[34] Unilever (2018) Annual report on form 20-F 2018. Available here.
[35] Christine Moorman, T. Austin Finch (2017) Marketing Budgets Vary by Industry. Available here.
[36] See for instance AWP 2018, p.27

simple and multi programmes and Commission own initiatives, when there is a reference to Commission own initiatives, the text appears with grey backdrop.

Programming through the AWPs

Annual Work Programmes (AWPs) were introduced by Regulation 1144/2014, in order to provide a framework for a dynamic and targeted promotion policy, aligned with the needs of the sector. The objective of the AWP is to **define strategic priorities** for the promotion policy in terms of populations, products, schemes or markets to be targeted and the nature of the information and promotion messages to be imparted[37]. The AWPs also contain the main evaluation criteria, a description of the measures to be financed and an indication of the amounts allocated to each type of measure.

Market priorities are defined based on the objectives of Regulation (EU) No 1144/2014, which differ according to the market concerned:

- **Third country markets:** increase the number of promotion activities aimed at third countries, where there is the highest potential of growth.
- **EU internal market:** to inform consumers about the high standards of EU products and increase awareness of the EU quality schemes and the associated symbols (PGI, PDO, TSG, etc.).

The geographic priorities for targeting third country markets are defined by the European Commission based on **macro-economic analysis** on the projected increase in imports for a selection of products suitable for inclusion in promotion programmes on existing or emerging markets. The macro-economic results are then compared with a **policy evaluation on Free Trade Agreements** and the **expected removal of sanitary and phytosanitary barriers**. A specific portion of the budget is then allocated to each of the areas identified as showing the most potential.[38]

In addition to input from Commission DGs, DG AGRI also receives contributions on the proposed AWP through the **Civil Dialogue Group on Quality and Promotion**[39]. A proposal is then put forward to the **Committee for the Common Organisation of the Agricultural Markets-Promotion (CMO)**[40], where Member States are consulted and must approve the proposal by vote. After the completion of this stage (normally by October), the AWP is adopted (Implementing Act) in November.

Proposal stage & eligibility

Simple and multi programmes

Calls for proposals for simple and multi programmes are published at the start of a calendar year, and usually applicants can submit their offers until mid-April.

Following the call for proposals published by CHAFEA, the **proposing organisations** can submit a proposal to CHAFEA for funding an information and promotion programme if they are representative of the sector or product concerned. In particular, they must meet the criteria specified in Article 1 Reg. 1829/2015:

[37] Regulation 1144/2014, Recital 13.
[38] COM (2018) 788 final
[39] CHAFEA. Frequently asked questions on the EU agricultural promotion policy. Available here.
[40] The Committee for the Common organisation of the Agricultural Markets was established by Regulation (EU) No 1308 of the European Parliament and of the Council establishing a common organisation of the markets in agricultural products and repealing Council regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007.

1) **A trade or inter-trade organisation**, established in a Member State or at EU level
   - which accounts for at least 50% of the number of producers, or 50% of the volume or value of marketable production of the product(s) or sector concerned, in the Member State concerned or at Union level; or
   - which is an inter-branch organisation recognised by the Member State.
2) **A group representative of the name protected** under Regulation (EU) No 1151/2012 and covered by the programme, which accounts for at least 50% of the volume or value of marketable production of the product(s) whose name is protected.
3) **A producer organisation or an association of producer organisations** which is recognised by the Member State in accordance with Articles 154 or 156 of Regulation (EU) No 1308/2013 or with Article 14 of Regulation (EU) No 1379/2013.
4) **An agri-food sector body**, which has representatives of that product(s) or sector among its members (except for programmes carried out after a loss of consumer confidence).

The Regulation allows for some flexibility in specific circumstances: where the proposing organisation is considered to be representative, lower thresholds may be accepted. More specifically, by way of derogation from points (a)(i) and (b) of paragraph 1, Article 1 of Delegated Regulation 1829/2015, lower thresholds may be accepted, if the proposing organisation demonstrates in the submitted proposal that there are specific circumstances, including the **evidence on the structure of the market**, which would justify treating the proposing organisation as representative of the product(s) or sector concerned[41].

In terms of the **measures**, the Regulation requires for these to be neither brand-oriented nor origin-oriented, unless the conditions for exceptions established in Article 4 of the Regulations apply.

In terms of the **eligible products**, the scope of Regulation 1144/2014 is limited to 'agricultural products and certain food products based on agricultural products' as per Article 1. More specifically, Article 5 of Reg. 1144/2014, narrows this down to:

- All agricultural products excluding tobacco;
- Certain processed products listed in the Annex to the Regulation (e.g., beer, chocolate, biscuits, pasta, salt, sweetcorn);
- Spirits with a Geographic Indication (GI).

In addition, in order to be consistent with other CAP promotion measures and the EU policy on alcohol consumption, the Regulation includes some limitations to the promotion of certain products:

- Simple programmes covering wine (with PGI) cannot be promoted alone, but together with other products.
- Measures on wine or beer targeting the internal market shall be limited to providing information on quality schemes or responsible consumption.
- Programmes covering fishery and aquaculture products cannot be promoted alone, but together with other products.

Commission own initiatives: DG AGRI and CHAFEA use a framework contract in several lots with communication companies for the implementation of the various types of activities, such as high-level missions, seminars, presence at fairs or

[41] Delegated Regulation 1829/2015, Article 1, paragraph 2.

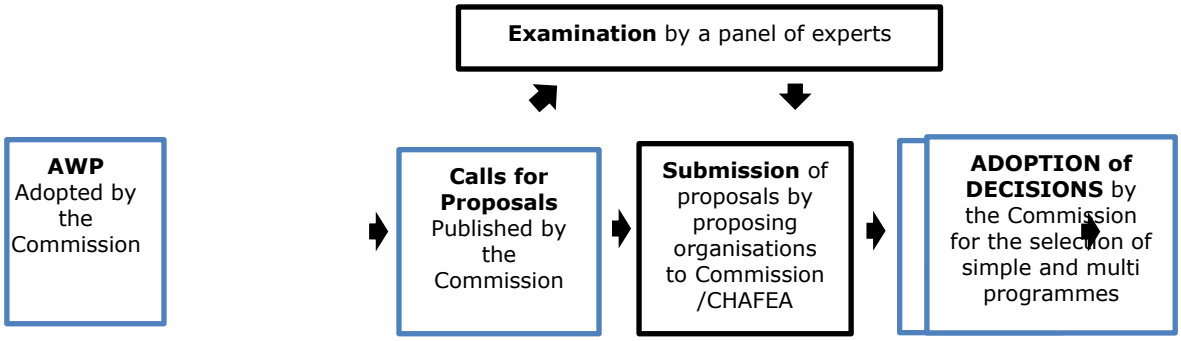
communication campaigns. Participants for high-level missions are recruited via **calls for applications** which are published for each high-level mission via different channels[42]. In contrast to the eligibility criteria for the programs, private companies are eligible to apply for the high-level missions.

Selection process for Simple and Multi programmes

Figure 5 represents the selection procedure for grants for simple and multi programmes. As stated above, after adopting its AWP via implementing act, the Commission issues calls for proposals and Member States' proposing organisations submit their proposals electronically to the Commission.

The proposals are analysed by an **independent panel of experts**. The evaluation of the proposals is then made by the Commission and is implemented either through **implementing acts** or via **grant agreements** in the case of multi programmes. For simple programmes, a Commission decision is needed to adopt the programmes for funding while for multi programmes the decision is taken by the Commission authorising officer[43].

Figure 5: Summary of selection procedure



Source: CHAFEA, updated by the evaluation team

CHAFEA, with the help of external experts, evaluates simple and multi programme proposals received in response to the call for proposals. More specifically:

First, **CHAFEA checks the admissibility, eligibility and compliance** of the proposals with the exclusion criteria. A proposal will be rejected at this stage if it is:

- Inadmissible, if mandatory annexes and supporting documents are not submitted; or
- Ineligible (i) if the programme is promoting a product or scheme, which is outside the defined scope (e.g. wine or spirits promotional activities on the internal market targeting consumers); (ii) if the applicant organisation does not meet the eligibility criteria or is not representative of the product/sector promoted (e.g. if private companies are acting as co-applicants, or if applicants are based outside the EU).

[42] Official invitations to the European Parliament's Committee on Agriculture; The MS and their Ministries of Agriculture; Major professional organisations; Civil Dialogue Group on Quality and Promotion; DG AGRI website and social media. Since 2017, also via the EU Representations in the Member States; the National Promotion Bodies and the CHAFEA's website.

[43] CHAFEA's director

Then, the eligible proposals are sent to a minimum of **three external independent experts** specialised in food and marketing. During **consensus meetings**, the **experts** agree on the content of the evaluation summary report, which the applicants receive as feedback to their submitted proposals. The experts examine each proposal following award criteria defined in the annual work programme. The following **award criteria** are applied to assess the proposals[44]:

- Union dimension[45];
- Quality of the technical proposal[46];
- Quality of the project management[47];
- Budget and cost-effectiveness[48].

Following this assessment, experts finalise the **ranking of all proposals** competing within the same topic. Proposals are ranked according to the number of points they receive based on the evaluation against the award criteria and sorted in descending order of points. Proposals must reach the points threshold for quality under each award criterion to be accepted for funding, up to the limit of the available budget. The highest ranked of the remaining successful proposals will be put on a **reserve list** (and could be funded in case additional budget becomes available). Other proposals are rejected.

For simple programmes, **CHAFEA checks the financial capacity** of successful simple programmes (for multi programmes, this step is performed during the grant agreement preparation period).

Lastly, an **evaluation committee composed of Commission and CHAFEA staff** validates the ranking prepared by external experts[49] .

The selection of **Commission own initiatives** is done by DG AGRI, taking into account the AWP, the evolution of Free Trade Agreements and information on stakeholder needs that they receive from stakeholders such as the EU wide agricultural food organisations. Since 2017, DG AGRI has adopted a more concentrated approach, which focusses on continuity of EU measures targeting a given third country market, through repetition of certain measures in the same country over several years.[50]

The selection of participants for HLM is based on several criteria particularly geographical balance among the Member States; sectorial balance considering the products potential for the target country market; balance between SMEs and bigger companies; national and European umbrella organisations.

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[44] Annual Work Programmes (2016, 2017, 2018, 2019).

[45] (a)Relevance of proposed information and promotion measures to the general and specific objectives listed in Article 2 of Regulation (EU) No 1144/2014, aims listed in Article 3 of that Regulation, as well as to priorities, objectives and expected results announced under the relevant thematic priority;(b) Union message of the campaign;(c) Impact of project at Union level.

[46] (a)Quality and relevance of the market analysis;(b) Coherence of the programme strategy, objectives, target groups and key messages; c) Suitable choice of activities with respect to objectives and programme strategy, adequate communication mix, synergy between the activities;(d) Concise description of activities and deliverables; (e) Quality of the proposed evaluation methods and indicators.

[47] (a)Project coordination and management structure;(b) Quality control mechanisms and risk management.

[48] (a)Justification of the overall level of investment;(b) Suitable allocation of budget in relation to the objectives and activity scope;(c) Clear description of the estimated costs and accuracy of the budget;(d) Consistency between the estimated costs and deliverables;(e) Realistic estimation of costs of project coordination and activities implemented by the proposing organisation, including nr. and rate of person/days.

[49] CHAFEA (2019). Presentation: Evaluation Process and lessons learned from Calls for proposals 2018.

[50] Interview DG AGRI, 03/09/2019

Management and Implementation

Management

The way in which measures are managed differs for simple programmes, multi programmes:

- **Simple programmes:** Member States are responsible for the implementation of simple programmes through competent national authorities ('shared management').
- **Multi programmes:** The multi programmes are managed directly by the Commission, through CHAFEA, ('direct management').[51]

Commission own initiatives: the measures taken on the initiative of the Commission are decided upon by and coordinated by DG AGRI (e.g. developing the specifications for the measures in terms of market targeted), but the execution of the Commission own initiatives have been delegated to CHAFEA (see below). From 2021 onwards the implementation of high-level missions will be under direct management of DG AGRI, as this was deemed more efficient and to address the high reputational risk of high-level missions.[52]

Implementation

At the stage of the implementation, the organisations that originally submitted the proposals (proposing organisations) are called beneficiaries. As specified in the AWP[53] proposing organisations must have the professional competencies and qualifications required to complete the programme but the delivery of activities is the responsibility of their contracted implementing body/ies. In other ways the implementation also differs for simple programmes, multi programmes and EU own initiatives:

- **Simple programmes:** For simple programmes, there is a legal requirement to implement the programme with the support of an **implementing body** (i.e. commercial communication and marketing companies). Beneficiaries must select bodies responsible for implementing the programmes through the appropriate competitive procedure ensuring the best value for money. In doing so, they must avoid any situation where the impartial and objective implementation of the programme is compromised for reasons involving economic interest, political or national affinity, family or emotional ties or any other shared interest ('conflict of interests') [54]. In addition, where the proposing organisation is a body governed by public law within the meaning of article 2(1)(4) Directive 2014/24/EU, it must select bodies responsible for implementing simple programmes in accordance with the national legislation transposing this Directive.[55] Nevertheless, a proposing organisation may implement certain parts of a programme itself, if the proposing organisation has at least three years' experience in implementing information provision and promotion measures, and if the proposing organisation ensures that the cost of

[51] Commission Implementing Decision of 17 December 2014 amending Implementing Decision 2013/770/EU in order to transform the 'Consumers, Health and Food Executive Agency' into the 'Consumers, Health, Agriculture and Food Executive Agency'.
[52] Interview DG AGRI, 03/09/2019
[53] see p.23 of the 2019 AWP
[54] Regulation 1144/2014, Article 13.
[55] 2018 Call for proposals — Simple programmes — Grants to information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries in accordance with Regulation (EU) No 1144/2014 of the European Parliament and of the Council. Available here.

the measure which it plans to carry out itself is not in excess of the normal market rates.

- **Multi programmes:** For multi programmes there is no legal obligation to select the implementation body. If one is selected, the rules regarding competitive procedures are the same as those described above.

Commission own initiatives: the execution of the measures taken on the initiative of the Commission are delegated to CHAFEA. However, the measures are carried out by external contractors, selected through procurement procedures (as explaining in the preceding text).

2.5. Objectives

This section will provide an overview of the general and specific objectives, as well as annual strategic priorities of the EU agricultural promotion policy between 2016-2019.

General and specific objectives

As stated in Article 2(1) of Regulation No. 1144/2014, the **general objective** of EU-funded information provision and promotion measures is to 'enhance the competitiveness of the Union agricultural sector'.

Article 2(2) of the Regulation identifies the following five **specific objectives**:

a) **Increase awareness** of the merits of Union agricultural products and of the **high standards** applicable to the production methods in the Union.
b) Increase the **competitiveness and consumption** of Union agricultural products and certain food products and to raise their profile both inside and outside the Union.
c) Increase the **awareness and recognition of Union quality schemes**.
d) Increase the **market share** of Union agricultural products and certain food products, specifically focusing on those markets in **third countries** that have the highest growth potential.
e) **Restore normal market conditions** in the event of serious market disturbance, loss of consumer confidence or other specific problems.

All visual material produced in the framework of a promotion programme co-financed by the EU under Regulation 1144/2014, targeting the internal market or third country markets, must bear the signature 'Enjoy! it's from Europe'. The signature may be accompanied by specific thematic lines referring to: environment, quality and food safety, health, diversity, and tradition.[56] In this way, the Commission has tried to create a coherent and recognisable visual identity and ensure that the visibility of EU funding is ensured by all programmes.

Strategic priorities

As explained in the previous sub-section, every autumn, DG AGRI adopts a new Annual Work Programme (AWP) that gives the strategic priorities of the year defined according to the needs of the sector[57]. Priorities can be defined on more than one basis. i.e. product type or prioritisation of internal or third country markets (see Table 1 for the specific products earmarked in the AWP 2016 - 2019).

[56] CHAFEA, Instructions on the use of the signature 'Enjoy! it's from Europe'. Available here.
[57] The Annual Work Programme forms the basis for the Calls for Proposals for simple and multi programmes.

Table 1: Specific products with earmarked budget in the AWP (2016 – 2019)

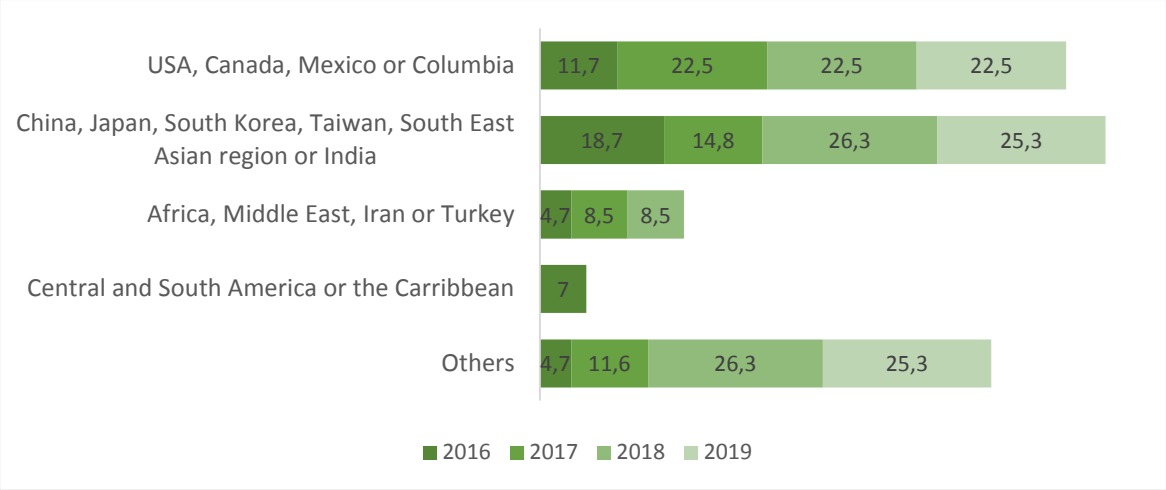
Year	Product	Programme type	Target market	€ (m)
2016	milk/dairy, pig meat products or a combination of those two	simple	internal market	9
	milk/dairy, pig meat products or a combination of those two	simple	third country	21
2017	milk products, pig meat products or a combination of those two	simple	third country	12.6
	beef products	simple	third country	4
2018	Sustainable production sheep/goat meat	simple	internal market	2
	Sustainable production sheep/goat meat	multi	internal market	4
	fresh fruits and vegetables/ healthy eating	multi	internal market	8
2019	table olives	simple	third country	2.5
	fresh fruits and vegetables / healthy eating	multi	internal market	8
	Sustainable production rice	multi	internal market	2.5
	beef and/or veal	multi	third country	5

Source: Annual Work Programmes, 2016 -2019

The share of budget earmarked for specific categories of products (e.g. fresh fruits and vegetables) ranged between 27% in 2016 and 7% in 2018.[58] Additionally, clear geographic priorities for promotion in international markets are visible. China, Japan, South Korea, Taiwan together with the South East Asia region and India, Colombia and North American markets have earmarked over 50% of the funds in each annual budget from 2016 to 2019.

[58] It should be noted that these data refer to the budget in the AWPs dedicated to specific products, whereas the data below show the repartition between the different products of the proposals which got funded.

Figure 6: Geographic priorities in AWPs and their earmarked budget (in million € for 2016-2019)



Source: Annual Work Programme for 2016 -2019

2.6. Inputs: Financial resources invested

This section presents the financial resources invested in the EU agricultural promotion policy.

EU budget allocated to information provision and promotion measures

As stated above, the budgets for the implementation of the EU agricultural promotion policy are set on an annual basis by the European Commission through AWPs for information promotion measures[59]. The budget allocated to information provision and promotion measures in the AWPs has almost doubled between 2016 and 2019, from €113 million to €201 million. In particular, the budget dedicated to multi programmes increased from €14.3 million in 2016 to €91.6 million in 2019. Since 2017, the budget allocated to the Commission's initiatives has remained stable at €9.5 million.

However, as can be seen in Table 2 when looking at the budgets of the selected and approved programmes, the grants approved in the years 2016 and 2017 were slightly below the budget foreseen in the AWPs. A more significant portion of the budget was unused in 2018 due to an unsatisfactory quality of proposals for funding and there was only a slight increase in approvals in 2019.[60]

Table 2: Budget allocated to information provision and promotion measures (in million €), 2016 - 2019

[59] For example, for 2019: Commission's Implementing Decision on the adoption of the work programme for 2019 of information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries, Brussels, 14 November 2018.

[60] Interview with DG AGRI 12/08/2019

2016		2017		2018		2019	
AWP budget	Budget allocations approved	AWP budget	Budget allocations approved	AWP budget	Budget allocations approved	AWP budget	Budget allocations approved
Simple programmes							
97	94.2	90	90	100	97.9	100	98.7
Multi programmes							
14.3	16.8	43	45.4	79.1	73.2	91.6	74.4
Commission initiatives							
1.7	1.2	9.5	6.5	9.5	15.1	9.5	26
Total							
113	112	142.5	141.9	188.6	186.2	201.1	199.1

(including abandoned programmes)

Source: AWP budget: Commission implementing decisions on the adoption of the work programme for 2016, 2017, 2018 and 2019. Budget allocations approved programmes (2016 – 2018): Own elaboration from data provided by DG AGRI in August 2019, calculated based on all Programmes selected, including those later abandoned; therefore, these figures are different to those reported in section A7 which exclude the abandoned programmes. Budget allocations for (2019) figures received directly.

2.7. Activities funded

The first calls for proposals for simple and multi programmes under the new policy on information provision and promotion measures for agricultural products were launched in 2016 (with the first programmes receiving funding approved in November 2016). Afterwards, two calls for proposals – one for simple and one for multi programmes - have been launched annually.

This section provides a general overview of the information and promotion measures implemented. First, it focuses on the programmes approved for funding in the period 2016 – 2018[61], then, it describes the Commission's own initiatives carried out between 2016 and 2019.

Simple and multi programmes 2016-2018

Number and budget of approved promotion programmes

The number of programmes funded has increased, from 64 in 2016 to 74 in 2018. This is mainly due to an increase in the multi programmes (from 6 in 2016 to 20 in 2018), which has compensated the slight decrease in simple programmes (from 58 in 2016 to 54 in 2018).

[61] Whereas detailed information was available on the selected simple programmes, those on the selected multi programmes were more limited (this was a limitation of the reports available – see also challenges faced by the evaluation in the next chapter). Therefore, this section will primarily focus on Simple Programmes.

The distribution between simple and multi programmes has changed over time. In 2016, most of the budget was allocated to simple programmes (84%), while in 2018 just over half of the budget went to simple programmes (56%). The value of grants approved for both simple and multi programmes has also increased by about €60 million, from €106.9 million in 2016 to €166 million in 2018.

Table 3: Number of programmes and max grant amount in € for approved programmes in 2016, 2017 and 2018 (excluding abandoned Programmes)

	2016			2017			2018		
	Budget (€)	% budget	Nr	Budget (€)	% budget	Nr	Budget (€)	% budget	Nr
Simple programmes	90 075 604	84%	58	88 949 809	66%	52	92 808 267	56%	54
Multi programmes	16 827 217	16%	6	45 383 798	34%	10	73 227 796	44%	20
Total	**106 902 821**		**64**	**134 333 607**		**62**	**166 036 063**		**74**

Source: Own elaboration, data provided by DG AGRI, August 2019

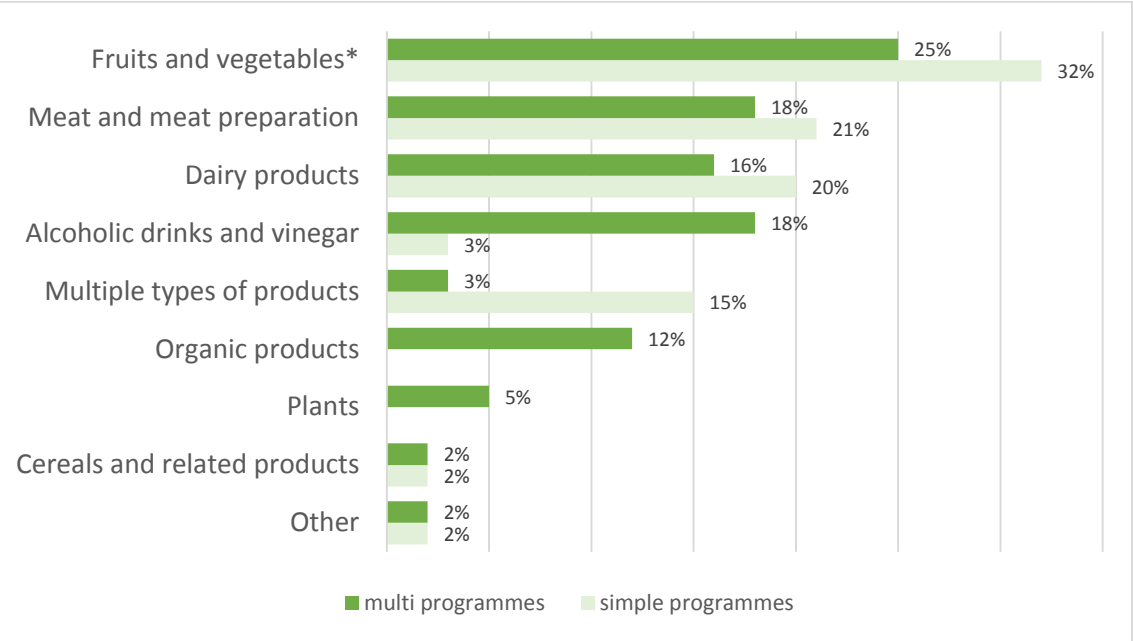
Products promoted

The years 2016 – 2018 were characterised by a high diversification in terms of products. As regards the product sectors concerned by promotion measures, differences can be observed between simple and multi programmes as well as year-on-year. Overall, for simple and multi programmes, the largest share of the budget was absorbed by projects promoting either fruit or vegetables (32% for simple and 25% of multi programmes) and meat and/or meat preparations (21% for simple and 18% for multi programmes). In close third place are the simple programmes promoting Dairy products (20%), and the multi programmes promoting alcoholic drinks and vinegar (18%).

In the annual comparison, the share of the budget dedicated to alcoholic drinks and vinegar in simple programmes has decreased significantly from 2016 to 2018. The budget has also been distributed slightly more equally across sectors in 2018 than in 2016. In 2016, three sectors (dairy products, meat and meat preparation, fruit and vegetables*) received 84% of the budget – seven percentage points more than the three biggest sectors in 2018.

Figure 7 shows the share of the total budget approved by product category for simple and multi programmes in 2016-2018.

Figure 7: Share of the total budget approved by product category for simple and multi programmes in 2016-2018



*includes nuts and olives/oil

Source: Own elaboration, data on approved multi programmes provided by DG AGRI, August 2019

Markets targeted

Between 2016 and 2018, overall, most programmes were targeted at third country markets, which mainly included simple programmes. In contrast, most of the multi programmes targeted the EU internal market.

Table 4: Number of approved programmes by type of measures and market targeted between 2016-2018 (excluding abandoned programmes)

	2016		2017		2018	
	EU	Non-EU	EU	Non-EU	EU	Non-EU
Simple programmes	23	35	21	31	16	38
Multi programmes	4	2	9	1	15	5
Total amount	**27**	**37**	**30**	**32**	**31**	**43**

Source: Own elaboration of data on simple and multi programmes provided by DG AGRI in August 2019. Data for 2019 not available.

Between 2016 and 2018, the majority of grants by value approved for simple and multi Programmes targeted third country markets; however, there were significant changes in allocations between years. Grant allocations to third country markets peaked in 2016 (71% of total).

Table 5: Max grant amount for approved SPs and MPs targeting internal market and third countries markets in 2016, 2017 and 2018 (excluding abandoned programmes)

	2016			2017			2018			
	€	%	N.	€	%	N.	€	%	N.	Total
Internal Market	31 510 762	29%	26	79 810 078	59%	30	78 689 002	47%	31	190 009 842
Third countries	75 392 026	71%	38	54 523 528	41%	32	87 347 060	53%	43	217 262 614
Total grants approved	106 902 788	100%	64	134 333 606	100%	62	166 036 062	100%	74	407 272 456

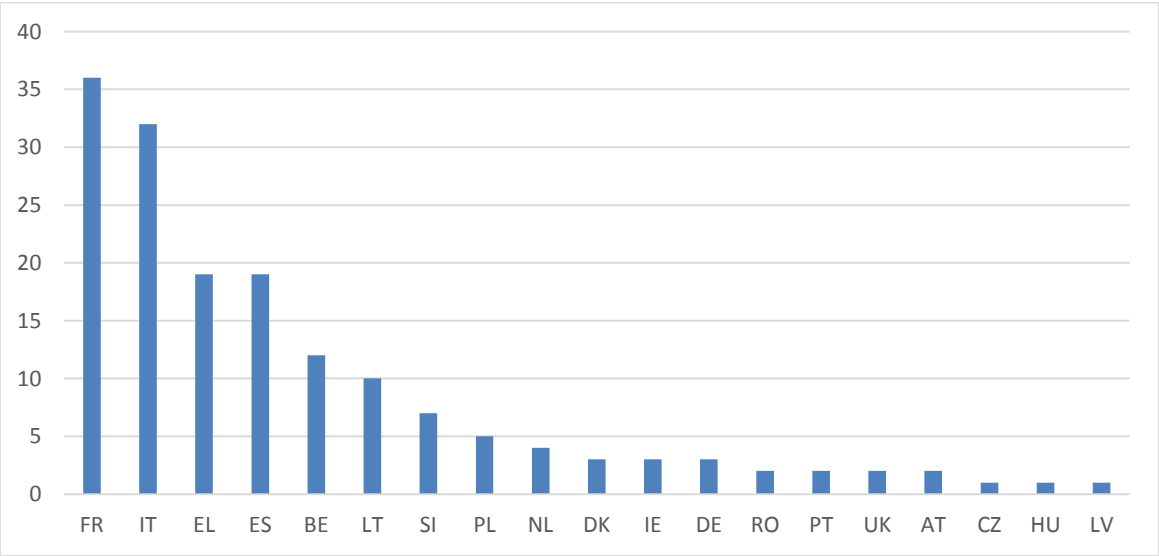
Source: Own elaboration of data on simple and multi programmes provided by DG AGRI in August 2019. Data for 2019 not available.

Key proposing organisations

Overall, proposing organisations from 19 Member States received funding for simple programmes between 2016-2018. Proposing organisations from six Member States have not received any funding whereas proposing organisations from Luxembourg and Malta have never applied for such funding. Estonian and Bulgarian organisations have been present on reserve list, but did not receive funds, Finnish proposals were found to be ineligible and Slovak ones passed the selection but were not funded due to budget constraints.

Figure 8 shows that overall proposing organisations from, France, Italy, Greece and Spain implemented the highest number of simple programmes between 2016-2018. Several organisations have been particularly successful in the bidding process and have received funding from several proposals over the years (e.g. ΕΛΓΟ-ΔΗΜΗΤΡΑ from Greece and the Baltic Food Organisation from Lithuania).

Figure 8: Overview of simple programmes funded by proposing Member State (2016-2018)



Source: Own elaboration of data on simple programmes from the European Commission

When looking at the share of the grants for simple programmes from 2016 to 2018, the largest allocation of budget was shared by organisations from four Member States, namely France, Greece, Italy and Spain. In addition, in 2018, Poland also received 8.8% of the allocated budget. Table 6 outlines the proportion of approved grants to the five Member states receiving the most funding for simple programmes for each year.

Table 6: Top five Member States receiving funding for simple programmes (2016-2018)

2016				2017				2018			
	MS	% of budget	Nr		MS	% of budget	Nr		MS	% of budget	Nr
1.	IT	26.2%	10	**1.**	FR	35.9%	17	**1.**	IT	35.4%	18
2.	EL	18.2%	8	**2.**	ES	29.0%	10	**2.**	FR	13.8%	11
3.	ES	10.4%	5	**3.**	BE	3.8%	4	**3.**	EL	12.8%	7
4.	FR	9.6%	8	**4.**	NL	3.5%	3	**4.**	ES	8.7%	4
5.	BE	6.2%	5	**5.**	IT	3.5%	3	**5.**	PL	6.7%	3

Source: Own elaboration of DG AGRI data on maximum grant amounts for SPs in 2016, 2017 and 2018 (excludes abandoned programmes)

For multi programmes, when looking at the MS of the coordinating organisation[62], it seems the UK, France and Spain have been coordinating the programmes which together account for the highest share of the budget. Organisations from 14 Member States received funding in at least one of the years from 2016 to 2018, these were: Belgium, Bulgaria, Cyprus, Germany, Denmark, Greece, France, Lithuania, Italy, the Netherlands, Portugal, Spain, Sweden, and the United Kingdom. Except for Cyprus, organisations from all these MS also received funding for simple programmes.

Table 7: Top five Member States (of coordinating organisations) receiving funding for multi programmes (2016-2018)

2016				2017				2018			
	MS	% budget	Nr		MS	% budget	Nr		MS	% budget	Nr
1.	UK	50.1%	1	**1.**	FR	58.5%	4	**1.**	FR	37.6%	4
2.	FR	16%	1	**2.**	ES	20.5%	2	**2.**	ES	23%	4
3.	ES	14.3%	1	**3.**	NL	11.9%	1	**3.**	NL	8.7%	3
4.	DE	8.3%	1	**4.**	EL	5.3%	1	**4.**	EL	8.3%	3
5.	BE	7.9%	1	**5.**	BE	3.8%	1	**5.**	BE	3.3%	1

Source: Own elaboration of DG AGRI data on maximum grant amounts for multi programmes in 2016, 2017 and 2018 (excludes abandoned programmes).

[62] Coordinating organisation refers to the lead partner of projects submitted by several proposing organisations

Commission own initiatives

Commission own initiatives include:

- The organisation of **high-level missions**;
- Participation in **trade fairs and international exhibitions** through EU pavilions;
- **Communication campaigns**;
- **Information seminars**;
- **Market Entry Handbooks**; and
- **Technical support services** to proposing organisations and companies.

Table 8 presents a list of the initiatives[63] undertaken by the Commission since 2016.

Table 8: Examples of Commission own initiatives since 2016

	List of examples
High level missions (HLM)	• HLM to Colombia and Mexico, (38 business delegates from 14 Member States), 7-12 February 2016 • HLM to China and Japan (45 business delegates from 15 Member States), 16-22 April 2016; • HLM to Vietnam (42 participants), Singapore (36 participants) and Indonesia (38 participants), 2-9 November 2016; • HLM to Canada (60 participants), 30 April – 3 May 2017; • HLM to Iran (42 participants) and Saudi Arabia (44 participants), 7-13 November 2017; • HLM to China (65 business delegates), 14-19 May 2018; • HLM to the United Arab Emirates, 16-19 February 2019 (business delegation of 39 delegates from 17 Member States); • HLM to Japan, 8-11 May 2019.
EU pavilions at major international Fairs	• EU Pavilion at SIAL Canada in Toronto, 2-4 May 2017; • EU Pavilion at SIAL Middle East, 12-14 December 2017; • EU Pavilion at SIAL China, 16-18 May 2018; • EU Pavilion at CIIE Shanghai, 5-10 November 2018; • EU Pavilion at Alimentaria, Mexico, 2019; • EU Pavilion at Foodex, Japan, 5-8 March 2019; • EU Pavilion at Gulfood, Dubai, 17-21 February 2019.
Quality/SPS Seminars and other events	• SPS Seminar Korea, 20-21 March 2018; • GI seminar Singapore 2019; • SPS seminar Mexico 2019; • SPS Seminar Iran, 19-20 November 2018; • Seminar at SIAL Paris, 21-25 October 2018; • SPS Seminar India 2019 • SPS Seminar Colombia 2019.
Communication campaigns (on-going)	• Communication campaign in the Middle East (€1.5 million; outreach: United Arab Emirates and Saudi Arabia); • Communication campaign in Canada 2019-2020 (€2 million; outreach: Toronto, Vancouver, Montreal); • Consumer event at Tokyo, 12-12 May, 18-19 May, 25-26 May 2019 • Promotion activities in Japan from 26 October to 6 December 2019

[63] List made from the documents shared by the European Commission.

	List of examples
	• Communication campaign in Japan 2019-2020 (€3 million; outreach: Great Tokyo, Osaka); • Communication campaign in China (€5 million; outreach: Beijing, Shanghai, Guangzhou, Shenzen, Chengdu, Qingdao, Tianjin, Wuhan, Chongqing, Xiamen).
Market entry handbooks	• Handbook on China; • Handbook Iran and Saudi Arabia; • Handbook Canada.

High-level missions and Trade fairs

The Commission has conducted several HLM in key third country markets. These were often combined with attendance at international food fairs in relevant markets. They aim is to open international markets and help EU companies conclude international partnerships to support exports. For instance, the EU was the Region of Honor at the Canadian SIAL in 2017 and at the SIAL in China in 2018. These are also key opportunities to provide information on recent trade agreements (e.g. EU-Canada Comprehensive Economic and Trade Agreement[64]) and answer questions arising from different campaigns.

Communication campaigns

Communication campaigns might be launched as a follow up to promotion activities in a target country (e.g. high-level missions) or to engage with target audiences in countries that have yet to receive an EU-led business delegation[65].The campaigns' focus on **safety** (e.g. high production standards; traceability understood as the ability to track where the product was made), **authenticity** (e.g. Guarantee of Origin and the production method of a given product) and **quality** of European food and beverages [66].

For instance, the communication campaign in the Middle East is underpinned by the creative concept 'More Than Food: Great Stories to Share' (formerly 'The European Food and Drinks are More Than Just Food Drinks, it is a Way of Life'). Target audiences include local populations and South Asian expats, importers, retailers and the hospitality sector. Activities focus on storytelling about trips to European regions (for social media influencers); online contents (website, social media, newsletters); tasting exhibitions and events with virtual reality equipment at food-related events; masterclasses for the business audience; advertisement and media relations[67].

[64] European Commission (2019) In Focus: EU-Canada CETA, see here.
[65] European Commission (2019). PPT Presentation: Own Initiatives from the Commission. Available here.
[66] Ibid.
[67] Ibid

Information seminars

The Commission can also take part in organising sanitary and phytosanitary (SPS) promotion seminars for instance dedicated to the promotion of EU quality schemes for agricultural products, EU organic or sustainable production systems, including especially the 'From farm to fork' SPS regime. The aim is to increase participant's knowledge of the EU food safety standards and EU quality policy on geographical indications and organic products.[68]

Technical support services

As part of the technical support services, a portal was developed to help potential applicants to understand the promotion policy and proposal submission, including through six webinars available on the portal[69]. Moreover, the portal aims to encourage the awareness of different markets by providing tailor-made market intelligence reports and other relevant information covering key target countries listed in the annual work programmes[70]. Another important role of the portal is to facilitate the organisations in finding potential partners for joint proposals. One of the main events organised within these technical services is the organisation of the Info Day in Brussels every year at the beginning of the calls.

[68] Commission Staff Working Document Accompanying the document Report from the Commission to the European Parliament and the Council Interim Report in accordance with Article 26(1) of Regulation (EU) No 1144/2014 of the European Parliament and of the Council of 22 October 2014 on information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries and repealing Council Regulation (EC) No 3/2008 {COM(2018) 788 final} .

[69] CHAFEA portal for technical support services. Available here.

[70] European Commission, Report from the Commission to the European Parliament and the Council, Interim Report in accordance with Article 26(1) of Regulation (EU) No 1144/2014 of the European Parliament and of the Council of 22 October 2014 on information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries and repealing Council Regulation (EC) No 3/2008, SWD(2018) 482 final.

3. METHODOLOGY

This section presents an overview of the methodological approach, as well as the challenges faced and actions taken.

3.1. Objectives and scope

This evaluation provides a holistic assessment of the EU's reformed agricultural promotion policy and in particular the information and promotion measures funded through this policy on the basis of the five evaluation criteria defined in the European Commission's Better Regulation Guidelines (relevance, effectiveness, efficiency, coherence and EU added value). The evaluation questions were operationalised into an evaluation questions matrix, linking the questions to judgement criteria and indicators as well as the data source foreseen for their collection[71].

The evaluation had two purposes: **summative** (i.e. provides an independent, evidence-based analysis of the extent to which the EU agricultural promotion policy has achieved its objectives and generated the expected results and impacts) and **formative** (i.e. assesses how and why the EU agricultural promotion policy has achieved - or failed to achieve - its objectives, which aspects have worked more or less well, and how it could be improved).

3.2. Evaluation design

This dual purpose of the evaluation required a mixed-methods approach, drawing on a range of methods and tools to compile and analyse relevant quantitative as well as qualitative data and information, in order to provide a robust, nuanced assessment not only of what the effects of the EU's agricultural promotion policy have been, but also how and why these have been generated, while paying due attention to the different main features and innovative elements introduced by the new legal framework.

The evaluation approach had to respond to a number of methodological challenges. Before detailing the specific data collection strands in more detail, a high-level summary is provided of the methodological challenges which informed the design and delivery of this evaluation and highlight the residual limitations[72].

Table 9: Challenges faced, approach taken and residual limitations

Challenge	Approach and residual limitations
Heterogeneity of programmes and initiatives and representativeness of case studies The lion's share of the funding under the 2016-2018 AWPs has been awarded to more than 200 separate programmes, including simple and multi programmes targeting different audiences and markets in EU Member States as well as third	A two-pronged approach was used, which combines a holistic view of the policy (via desk research, scoping interviews and surveys) with in-depth analysis of case studies of specific programmes / initiatives giving rise to specific examples and evidence of how delivery plays out in practice. Further, the assessment of the Commission own initiatives was clearly delineated from the assessment of the simple and multi programmes to reflect the difference in scope and implementation.

[71] The full evaluation question matrix is provided in Annex A but each evaluation criteria and question recall the judgement criteria, indicators and data sources used.

[72] Where necessary, the specific impact of these challenges, e.g. on the assessment of effectiveness or efficiency are also recalled in the introduction to the answers to those questions to ensure these are understood in the review of the findings.

Challenge	Approach and residual limitations
countries, and promoting a wide range of different agricultural products and key messages. It is recognised from the outset that assessing the overall, aggregated impacts of such a diverse set of separate activities is extremely challenging. A 'one-size-fits all' approach would not do justice to the significant diversity of measures and their objectives. And the evaluation budget, although substantial, will not allow for an in-depth coverage of the entire breadth and variety of information and promotion programmes and initiatives, meaning a selective approach will be required. Further, although not as substantial in budgetary terms, the Commission own initiatives are high profile and distinct in the delivery structure to the programmes.	In practice, the choice of the unit of analysis for the case studies was a crucial element of the methodology and might affect the results of the study. For this reason, different criteria were proposed to guide the choice, and consulted with experts and the Commission to agree and be transparent about the trade-off. The sample of six case studies allowed differences and inconsistencies to be highlighted. The findings from the case studies were used to demonstrate or provide counter examples to illustrate the findings from the more general evaluation of the policy. Nevertheless, the agreed sample had some inherent limitations, which related to the trade-off between the depth and breadth of the case studies, where focusing on an extended sample of measures and countries would necessarily dilute the analytical focus presented in the proposal.
Underestimating the impact of contextual factors It is impossible to isolate the impact of the EU-funded measures from that of other developments. In fact, the budget is likely to be relatively small when compared with the cumulative spend by different private as well as public actors from across the EU and outside the EU on promoting their agricultural products. Wider socio-economic developments (e.g. an economic downturn, national health policies, or the conclusion of a new trade agreement) can obviously also affect the evolution of many of the indicators of interest.	First and foremost, existing information was synthesised, including the data reported on the indicators. That exercise was complemented with stakeholder perception through surveys and interviews. To the extent possible, concrete evidence of the coherence with other initiatives (at EU and national level) was explored and used to provide evidence of mutually reinforcing efforts funded by other means, as applicable. However, a limitation of the study remained the challenge of attributing change to the promotion policy rather than broader contextual factors.
Difficulties in estimating costs and benefits With regard to the Evaluation Questions under Efficiency, estimating the costs and benefits of this policy in quantitative terms is not feasible.	Input collected through the online survey and interviews was used to explore and assess how operational and administrative aspects influenced the efficiency with which the achievements were attained. Whereas a fixed number of interviews was held, the survey was disseminated to all applicants of funding, whether successful or unsuccessful, in order to have a significant sample of respondents. The number of responses received are included in Annex C.

Challenge	Approach and residual limitations
Reliance on availability of reports and data Already in the initial analysis a risk is cited relating to the quality of indicator data and reporting relating in part to the stage of delivery of the programmes. More specifically: -No final reports were available for the programmes funded in the period under review (2016-2019). Interim reports are available for multi programmes funded in 2016 and 2017 AWP. However, these are of varying content and quality; -No final indicator data compiled by independent evaluators was available at this stage in implementation. Self-reported output and result indicator data are available for most of the simple and multi programmes funded under the 2016 and 2017 AWP, however these are incomplete. There is limited availability of self-reported impact indicators (i.e. for multi programmes only).	Given the early stage of the programmes, the Steering Group meeting on the 1st Interim Deliverable resulted in a decision to use the indicators with caution or not at all. This implied the need to make more use of qualitative data (i.e. insights from stakeholders) and back these up with concrete examples where feasible, as detailed in the updated EQM. As detailed in the answer to effectiveness - EQ2 (sub-question 5) - these issues also informed the analysis of the adequacy of the monitoring system. Relying on qualitative information, collected through interviews and surveys, might introduce some subjectivity in the judgement (e.g. the perceptions of proposing organisations and other stakeholders about the effects of the policy in general may be subject to optimism bias). The use of standardised judgement criteria and indicators aims to moderate this factor, but it remains a limitation. It is clearly stated when a judgement is based on opinions, which are further substantiated with examples.

3.3. Data collection methods

Based on the above methodological considerations, the mixed methods for collecting data are listed below. The first three elements (the document and data review, the EU-level interviews and the online surveys) allowed to gather data on the policy as a whole, while the case studies facilitated a deeper exploration of the activities and effect of a limited number of measures.

- **Document and data review (EU-level):** carried out in English to collect any existing qualitative and qualitative data on the different elements of the intervention logic.
- **EU-level interviews** with (1) the relevant European Institutions and agencies involved in the programming and implementation of the EU promotion policy, (2) external evaluators hired by CHAFEA for the selection of applications, (3) those involved in other EU policies in the field of environment, climate change and health (e.g. DG SANTE, DG MARE and DG ENV) (4) pan-European agricultural producer and trade organizations and associations and (5) an NGO.
- **Two online surveys:** To collect the views of a wide base of stakeholders impacted by the policy: one survey targeting the national competent authorities (NCA), while the other will target the proposing organisations and Implementing Bodies (IB), including successful and unsuccessful applicants.
- **Case studies**: data for the case studies was collected through:
  - **Case study document and data review:** this includes Programme implementation or evaluation reports (or if available, evaluations at MS level aggregating results of all Programmes funded), as well as other relevant secondary data to assess the effects of the programmes (e.g. on the consumption of the particular product in the target market, as well as the export of the product from the relevant EU MS or EU as a whole to the target markets).
  - **Targeted interviews:** with at least one competent national authority and one proposing organisation per Programme. Where the Programme targets a third country, the interviews will also include a member of the EU Delegation in the country, a relevant producer or trade association, and where feasible business delegates in the country, etc.

3.4. Evidence base and operational challenges

3.4.1. Documentation and indicator data review

The document review was carried out in order to collect and analyse existing qualitative and quantitative data on the different elements of the Intervention Logic. The review covered:

- EU level documents and relevant wider literature (especially concerned context and needs);
- Simple and multi programme indicators; and
- Materials and documents on Commission own initiatives.

A complete list of EU level documents reviewed is provided in technical Annex B; together with a table summarising the compiled output and result indicators for simple and multi programmes.

EU level documents and wider literature

Documents were reviewed to gather all types of data informing particular parts of intervention logic of the policy (especially its needs and objectives) and other relevant information (e.g. background of the policy). A database of all documents identified during the inception phase, and all documents shared by DG AGRI and CHAFEA in the

interim phase was established mapped to the evaluation criteria. The review of the EU-level documents covered:

- EU legislation underpinning the EU agricultural promotion policy;
- Programming documents (i.e. AWP and calls for proposals);
- Any relevant implementation and evaluation / assessment reports (e.g. the Commission 2018 interim report, CHAFEA surveys of applicants);
- Other relevant documents included, for example:
  - EU policy documents on the field of agriculture, health, the environment and climate change;
  - positions of DGs, NGOs and document review of meeting minutes provided by DG DEVCO from meetings with NGOs;
  - minutes of the Civil Dialogue Group and CMO Committee;
  - literature pertaining to the EU competitiveness in the agriculture sector and information providing context for market developments.

A review of market share data and documentation was conducted in the context of case studies (see below).

Simple and multi programme indicators

Our review of the programme indicators included all available output and result indicators used for reporting on simple and multi programmes funded in 2016 and 2017[73].

The indicators were provided by CHAFEA and DG AGRI. Complete indicator data was available for 74 simple programmes and all multi programme[74].

Table 10: Overview of multi and simple programmes reviewed

	2016		2017		TOTAL (2016+2017)	
	Multi	Simple	Multi	Simple	Multi	Simple
Total number programmes funded	6	58	10	52	16	110
Sample of reports/data shared with the evaluation team by 10 December 2019	6	38	10	36	16	74
Reports/data missing as at 10 December 2019	n/a	20	n/a	16	n/a	36

[73] As agreed in the inception phase, while most programmes were not yet reporting on impact indicators (due to the stage in delivery). Where available, they were not deemed relevant for review at this stage in the delivery cycle of the programmes and were excluded from the analysis.

[74] BE: partially available (missing data for 1 programme in 2016); EL: not available (missing data for 8 programmes funded in 2016 and 4 in 2017); FR: partially available (missing data for 2 programmes in 2016 and 6 in 2017); IT: not available (missing data for 9 programmes funded in 2016 and 4 in 2017); LT: partially available (missing data for 2 programmes in 2017).

All the indicator data for simple programmes was compiled into one excel sheet, by extracting data from 74 individual excel sheets. On this basis, an overview table with data on individual programmes was populated and cross-referenced with the full list of programmes funded to validate and clean the data received. The data for the multi programmes was then integrated.

Operational challenges faced:

The process of consolidating the data for simple programmes relied on a need to manually combine the data and check for gaps and correct for minor errors identified in the separate data files. In doing so, the following issues were identified:

- Minor inconsistencies and typos in names of data files;
- Inconsistencies in formatting of indicators values provided;
- Missing programme identification data (especially target markets).

The clean and validated data now provides a basic overview of programmes and indicator values and will serve as a useful resource for further analysis.

Documents and data on Commission own initiatives

The documentary review of data provided on Commission own initiatives was also based on the materials shared by DG AGRI. The initial research in the inception phase suggested 36 Commission own initiatives were funded over the period of review. There was a question how to ensure consistency in the period of revision with the review period for the promotion policy programmes. It was decided to cover the period 2016-2019 for Commission own initiatives but to present the answer to effectiveness of these initiatives separately (to account for the difference in scope).

The documents received included technical reports, media coverage reports, and data on Key Performance Indicators (KPI) tables. A full list is included in Annex B.

Operational challenges faced:

- **Cross-referencing:** The names of the Commission own initiatives in the internal excel file shared by DG AGRI listing the 36 funded measures, did not always correspond to the name given to the initiative in the technical report. In those cases, the mapping was based on other information provided such as the target country or type of mission.
- **Timing of evaluation and availability of reports**. Most of these gaps are explained by the novelty of certain activities which were launched in 2019 and thus the reporting has yet to be finalised. This was caveated to the extent possible, by doing additional desk research on the topic to try and draw some results. Remaining gaps come from the fact some documents have not been provided by contractors to the EC.
- **Limited qualitative information on results and impact and timing of evaluation:** the reports that were available most often did not provide the required information that would facilitate an assessment of the effectiveness of the measures funded. The reports included qualitative descriptions of outputs, rather that results. Moreover, technical reports provided an abundance of logistic and organisational details, which is useful for internal auditing and monitoring, but which cannot tell us about whether the objectives of the missions / measures were achieved. The Key Performance Indicators (KPI) provided more information on results and impact although the data remains limited as some initiatives hadn't yet filled out KPI, had partially filled them out or had limited results and impacts to share at the time of drafting.

3.4.2. In depth interviews

The aim of these interviews was to collect qualitative feedback on the relevance, effectiveness, efficiency, coherence and EU added value of the EU agricultural promotion policy and understand experiences with various aspects of its implementation from internal and external stakeholders. Table 11 provides a summary of interviewees.

Table 11: Overview of in-depth interviews carried out[75]

	Interviews conducted
EU Institutions	12[76]
External evaluators	3
EU wide agri organisations	4
NGO	1
TOTAL	**20**

Operational challenges faced:

- **Unwillingness to participate**: The evaluation team faced challenges when reaching out to some intended interviewees from all four categories. An unwillingness to participate in interviews was found across all categories. In total, nine interviewees declined the request for interview, while 11 did not respond to the interview request, even after sending numerous reminders and making follow-up calls. European consumer organisations demonstrated a particularly low response rate.
- **Inability to respond to issues**: When interviewees were reached, they were not always able to respond to the topics for discussion in full. For example, interviews with other DGs which are not directly involved in the promotion activities of DG AGRI. They are either sometimes consulted (e.g. asked to provide comments on AWP) or broadly aware of the activities, but not directly involved. Also, they do not have contact with proposing organisations or National Authorities. Therefore, they did not feel in a position to comment on questions relating to the application process, observed impacts or even the Commissions own activities – only DG SANTE was actually aware of such activities.

3.4.3. Online surveys

The online surveys targeting National Competent Authorities (NCA) and Proposing Organisations (PO) and Implementing bodies (IBs) were active for a period of six weeks, from 28 October to 6 December and were exceptionally extended to allow NCA to provide responses until end December 2019. The complete survey analysis is presented in Annex C.

[75] In addition, two targeted interviewees provided some partial information through email or a short call and are not included in the table as they were not considered 'full interviews' and an interview was conducted by DG AGRI on behalf of the evaluation team with DG ENV and notes shared.

[76] DG AGRI; CHAFEA; DG DEVCO; DG SANTE (two interviews); DG GROW; DG MARE (two interviews), DG TRADE; DG CLIMA and DG COMM.

Operational challenges faced:

Initially low response rate: The initial response rate for both online surveys was low, which is why a reminder mail was sent to encourage participation and the deadline for responding to the online survey targeting NCAs was extended.

3.4.4. Case studies

The six case studies are found in Annex D to this report. All proposing organisations, National Competent Authorities (NCA) and other stakeholders (including CHAFEA) identified as targets for the relevant promotion campaigns were contacted for interview. The evaluation team sent several rounds of email reminders and follow-up phone calls to stakeholders in order to reach between 10 to 15 interviews per case study. As summarised in table 12, a total of 77 interviews were carried out as part of the case studies.[77]

The evaluation team also requested programme documentation to national authorities and proposing organisations to review it as part of the case studies. Most of them sent the relevant documentation (when available), except for two national authorities (BE and LV) and two proposing organisations (Latvijas Piensaimnieku Centrala Savieniba; VLAAMS CENTRUM VOOR AGRO- EN VISSERIJMARKETING VZW).

Table 12: Overview of case study interviews carried out

Case study				
Stakeholder type	PO	NA	Other	TOTAL
Alcohol – US	5	4	6	16
Dairy – China	4	2	5	11
Fruit – United Arab Emirates (UAE)	4	2	5	11
Quality standards	6	4	5	15
Meat	5	5	3	13
Fruit and vegetables	5	5	1	11
TOTAL	**29**	**22**	**25**	**77**

[77] These interview totals are based on number of interviews per case study. However, as some NAs were responsible for multiple programmes across case studies and were therefore effectively interviewed 'twice', there is some duplication in the number of NAs interviewed. The Italian Ministry of Agricultural, Food, and Forestry Policies (Ministero delle politiche agricole, alimentari, e forestali) as well as the Italian Agency for Disbursements in Agriculture (Agenzia per le erogazioni in Agricoltura) were interviewed for Alcohol – US, Dairy – China, and Quality case studies. The Spanish Ministry of Agriculture, Fisheries, and Food (Ministerio de Agricultura, Pesca y Alimentación) was interviewed for Quality and Meat case studies. The French Ministry of Agriculture and Food (Ministère de l'Agriculture et de l'Alimentation) was interviewed for Fruit – UAE and Meat case studies.

Operational challenges faced:

The following challenges were faced in carrying out the **data collection** for the case studies:

- **Sharing of documents:** General Data Protection Regulation (GDPR) concerns were raised by some respondents. This was exacerbated by the letter of recommendation, which did not list the sub-contractors and therefore was not viewed by participants as a guarantee that they are being approached by legitimate members of the research team. An updated letter of recommendation was provided. These concerns meant some stakeholders did not feel able to share potentially sensitive data with a third party; proposing organisations and other respondents from one country, in particular, raised fears of fraud. The request that initial contacts be made by the NCA, DG AGRI, or CHAFEA confirmed they would be contacted by a third party was not practicable given the timeframes of the study and the difficulties in securing responses from the NCA. This challenge delayed data collection.
- **Interviews NCA:** In some cases, NCAs claimed to have no knowledge of the specific content of the programmes, or to have been only marginally involved in the candidate selection process. As such, some NCAs suggested that other officials should be interviewed within the same NCA or in other government agencies as they would be more knowledgeable. This led to delays in securing interviews with national stakeholders. The type of documents available differed across countries although the structure of the documents was comparable. In particular, interim reports were not available for all projects or were provided in a form which was inaccessible (e.g. interim report provided for one project in Case Study 1 - wine and spirits in USA were scans of photocopies, rendering them hard to read). A number of reports were not provided for the projects covered by Case Study 2 – dairy products in China.
- **Limited data on market share:** The review of market share data was limited to the third country case studies, as these focused on a specific product type in combination with a specific target market (i.e. the US, China and the UAE). Although data on sales and exports are generally available, data on the market share of specific EU agricultural products in the case study target markets proved difficult to access as these are generally produced and sold by market research companies. As a result, limited information on market shares is reported in the case study reports, as well as section 4.2.5 on the effectiveness of the policy in achieving specific objective 4.
- **Limited data on results and impacts:** Limited data was available on the impact of measures as campaigns are still ongoing. Most stakeholders interviewed for the case study expressed a limited understanding of the promotion measures' impact. This was exacerbated by a lack of quantitative data.

4. ASSESSMENT OF EFFECTIVENESS

This section presents the assessment of effectiveness.

4.1. Introduction and limitations

The section is structured as follows:

- **Section 4.2**: provides the answer to EQ 1 (effectiveness in enhancing competitiveness and achieving the specific objectives) in relation to the simple and multi programmes (focussing on those programmes funded in 2017-2018);
- **Section 4.3**: provides an answer to EQ 2 (contribution of the policy design) in relation to the simple and multi programmes (focussing on those programmes funded in 2017-2018);
- **Section 4.4.:** provides an answer to both EQ 1 and EQ 2 in relation to the Commission own initiatives funded between 2016-2019.

CHALLENGES AND LIMITATIONS

Given the specific and numerous challenges in assessing the effectiveness of the EU agricultural promotion policy, this assessment is prefaced by drawing attention to the following limitations:

Timing: As this evaluation support study comes at a very early stage of the implementation of the promotion policy (2.5 years after the first programmes commenced), the programmes funded in 2016 and 2017 are ongoing and most are only at an early stage. As a result, the measures funded have not resulted yet in any measurable impacts and it is therefore too early to draw final conclusions on their effectiveness. The stakeholders consulted as part of this evaluation support study often felt unable to comment on the effectiveness of the measures funded, as these were still ongoing. In addition, the following specific limitations were identified:

- **Programme Impact indicators:** In theory, the types of impact indicators set and compiled by independent evaluators would provide evidence that the policy's specific objectives are met. However, these are reported once a programme has been completed and, therefore, these were not available for this evaluation[78].
- **Programme output and result indicators:** Output and result indicators were reviewed as part of the case studies. However, no final indicator data compiled by independent evaluators was available due to the timing of the evaluation. The evaluation team was provided with available self-reported output and result indicator data, which covered 67% of the simple and multi programmes funded under the 2016 and 2017 AWP. The level of completeness of indicator data meant that a comprehensive analysis of programme results and their contribution to the stated objectives could not be provided. In addition, many of the result indicators did not allow for meaningful conclusions to be drawn on the effectiveness of the promotion policy, because in many cases the intended results would not be sufficient to support the generation of impact assessments on the promotion policy's specific objectives.

[78] Self-reported impact indicators are available for multi programmes, but these should be used with caution as they are not the final ones.

- **Programme Interim Reports:** for most of the case study programmes funded in 2016 – 2017, stakeholders had met formal reporting requirements in the form of programme interim reports. However, the timing of this evaluation meant that limited evidence had been collected and reported by proposing organisations on the effects of the programmes funded, in particular in terms of changes in market share, competitiveness and consumption the long-term objectives of the EU promotion policy and its programmes.

Attribution challenge/external factors: changes in consumption or exports of EU agricultural products in the markets targeted by the promotion policy could not directly be attributed to the promotion measures funded by the EU, as many other external factors impacted on these results. Another major contextual constraint was the size of the industry and its advertising and marketing spend. Some individual brands spend more per year on advertising than the programmes funded under the policy overall. It was also too early to say whether the measures that only just started had made this type of contribution. Therefore, the relevance of drawing on quantitative trade and consumption data was limited and have been included in the sections for context. Moreover, stakeholders consulted often felt they were unable to comment on the effects/contribution of the policy or programmes in relation to the policy's objective, and in particular those relating to increased consumption, competitiveness and market share, due to the many external factors influencing consumption and competitiveness. This is reflected in the online survey results, where 15% of stakeholders felt they were unable to answer the question on the positive impact of the policy on consumption and competitiveness, which was slightly higher than the 1-7% who were unable to assess impact for the other specific objectives.

Inability to systematically link programmes to the policy's specific objectives: These data are not collated and recorded at the aggregate level and it was not in scope to collate this information. The evaluation team reviewed proposal documents for the case studies. However, reliance on this evidence would have resulted in a skewed view of budget allocation based on the purposive (not representative) case study sample. The review of proposal documents for the case study programmes proved that methodically linking the programmes to one or more of the policy's specific objectives was not possible (it was not explicitly or systematically included). Further, since multiple specific objectives may be targeted by a given programme it was problematic – and not necessarily appropriate - to calculate a sum for the spend on a particular specific objective, as these were not mutually exclusive. The number of programmes funded, or budget spent between 2016-2019 by specific objective is not reported but where possible, allocated budgets are reported.

4.2. Effectiveness in enhancing competitiveness and achieving specific objectives (EQ1)

4.2.1. Introduction

Evaluation question 1: To what extent were the programmes of the promotion policy effective in **enhancing the competitiveness of the Union agricultural sector and in achieving the specific objectives of the policy** as laid down in article 2 of Regulation 1144/2014, namely:

-Specific objective 1: Increased awareness of merits and high standards (Art. 2.2.a);
-Specific objective 2: Increased competitiveness, consumption and raised profile (Art 2.2.b);
-Specific objective 3: Awareness and recognition of EU quality schemes (Art. 2.2.c);
-Specific objective 4: Influencing market share (Art. 2.2.d).
(Specific objective 5: Restoring normal market conditions) [79]

COVERAGE OF QUESTION

The question to be answered – to what extent the measures of the promotion policy have been effective in enhancing the competitiveness of the Union agricultural sector - is divided in five sub-questions.

- Sub-question 1.1 To what extent were the measures of the promotion policy effective in increasing the awareness of the merits of EU agricultural products and the high standards applicable to the production methods in the EU (i.e. specific objective 1)
- Sub-question 1.2 To what extent were the measures of the promotion policy effective in enhancing the competitiveness and consumption of EU agricultural products and certain food products, and to raise their profile both inside and outside the EU? (i.e. specific objective 2)
- Sub-question1.3 To what extent were the measures of the promotion policy effective in influencing the awareness and recognition of Union quality schemes? (i.e. specific objective 3)
- Sub-question1.4 To what extent were the measures of the promotion policy effective in influencing the market share of EU agricultural products and certain food products, specifically focusing on those markets in third countries that have the highest growth potential*?* (i.e. specific objective 4)
- Sub-question 1.5: To what extent were the measures of the promotion policy effective in enhancing the competitiveness of EU agricultural products, (i.e. the EU promotion policy's general objective)?

Sub-question 1.1 to 1.4 are directly linked to the EU promotion policy's specific objectives, while the answer to sub-question 1.5, which is linked to the general objective, will bring the evidence together by providing a summary of the previous sub-questions and the overall assessment on the achievement of the general objective.

These sub-questions are answered in this section with the data available from the document review, online survey, interviews and evidence from case studies.

[79] The effectiveness of specific objective 5 (restoring normal market conditions) cannot be assessed as no measures have been introduced which address this specific objective. Understanding why this has not been used will be explored as part of relevance.

4.2.2. Specific objective 1: Increased awareness of merits and high standards

Sub-question 1.1 To what extent were the measures of the promotion policy effective in **increasing the awareness of the merits of EU agricultural products and the high standards applicable to the production methods** in the EU (specific objective 1-Art. 2.2.a of Regulation 1144/2014)

COVERAGE OF SUB-QUESTION

To answer this sub-question, the following judgement criteria were considered:

- Extent that evidence confirms that the target audience was reached by the agricultural promotion policy programmes;
- Extent that evidence confirms that promotion campaigns included the message on the merits of EU agricultural products and their high standards in production methods;
- Extent that evidence confirms an increase in awareness of merits/standards among target audiences;
- Extent that evidence confirms an increase in awareness of the merits/standards among target audiences, as a result of specific programmes / initiatives.

Although the question explicitly does not distinguish between effect on awareness in the internal market and in third countries, in line with the general understanding of the EQ1, the analysis addresses different features of these markets to provide a comprehensive answer.

In order to address this evaluation sub-question, several elements were assessed, as follows:

- **Extent to which target audience was reached:** to raise awareness about a product relevant promotional messages need to reach the intended audience. To evaluate this aspect, the following was assessed:
  - Stakeholder perceptions collected through an online survey and in-depth interviews of target audiences reached in the internal market and third countries. However, some respondents consulted felt unable to give a comprehensive answer to the question. Also, some of the interviewees mainly from EU-wide agricultural producer organisations commented instead on their own programme experience. Some respondents to the survey (13 – 19% depending on the market in question) indicated that they could not answer the question.
  - Evidence presented in the case studies. Out of the 30 programmes covered in the six case studies, the assessment suggested 17 programmes aimed, among others, to increase awareness of the merits of EU agricultural products and the high standards applicable to the production methods;[80] these programmes served as the evidence base in this sub-question. Some evidence presented in the case studies showed programmes reaching their target audiences, and also helped to identify the factors that enabled target audience reach.
- **Inclusion of the message on the merits of EU agricultural products and their high standards:** this was required in raising public awareness actions, as well as use of the slogan 'Enjoy! It's from Europe!', which was a mandatory

[80] However, the descriptions reviewed in the programme documentation was not completely clear-cut at times, and thus this overview is approximate rather than exact. It must be also noted that with one exception in the Case Study 4, all programmes aimed also for a different or more specific objectives and thus needed to balance their focus.

element for funded programmes.[81] The evidence provided regarding this topic is based on:

- Case study reports, based on extensive desk research and complemented by interviews with stakeholders, which were the main source of evidence to understand the importance placed on promotion approached in particular markets;
- Stakeholder perception, which was discussed through in-depth interviews and which provided insights particularly on views on the use and effects of the slogan. However, the stakeholders consulted did not comment much on the inclusion of the message on the merits and quality standards.

- **Promotion policy contribution to awareness on merits and high standards of EU production:**
  - The main source of evidence in this section was stakeholders' perceptions collected through an online survey and in-depth interviews. Again, it was found that respondents consulted through in-depth interviews often reported they did not have sufficient knowledge to answer the question in full.

BACKGROUND

One of the most important assets of EU agriculture is its reputation for producing premier quality foodstuff.[82] Since the development of wine quality labelling in the 1980s, the EU has tried to continuously improve the quality of its agricultural production and to guarantee its standards. Currently, agricultural production quality is safeguarded in many ways, such as:

- regulations on animal and plant health and animal welfare,
- control of pesticide residues and additives in products,
- measures to guarantee production safety and hygiene,
- clear labelling rules,
- consistent provision of nutritional information.[83]

When discussing the importance of the merits and quality standards of European agricultural production in relation to its contribution towards increasing its competitiveness, the context of the market where these products are promoted and sold was also considered.

The main external factor closely connected with the promotion of quality standards is the level of public interest in food safety. Food safety is a concern among consumers in the internal market and in third countries. In the EU, a special Eurobarometer survey (2019) found that food safety is one of the top four equally important factors for consumers when buying food. Fifty per cent of respondents considered food safety to be important and similar responses were given on the place of origin of food, its cost and taste (53%, 51% and 49% of respondents respectively).[84] Overall, Europeans have high level of awareness of food safety topics; their concerns relate mainly to antibiotics, hormones and steroids in meat, pesticides, environmental pollutants and food additives.[85]

[81] Model Grant Agreement for Simple Programme, DG AGRI (January 2018). Available here.
[82] Fact sheet: *European Policy for Quality Agricultural Products*. Available here.
[83] Ibid.
[84] European Commission (2019). *Special Eurobarometer Wave EB91.3. Report Food Safety in the EU.* Available here.
[85] This situation could be linked to BSE (Bovine spongiform encephalopathy) crisis and horse meat crisis, which contributed to the implementation of traceability methods in food sector.

In non-EU countries' markets and especially China, growing concerns regarding food safety have been closely connected to a series of food poisoning and contamination incidents in the last two decades. Issues concerned contaminated pet food and other products in 2007 and the milk fraud scandal in 2008. It is also worth noting that outbreaks of various types of flu and respiratory diseases (bird flu in 1997; severe acute respiratory syndrome – SARS in 2002/2003; avian flu 2006) and recent coronavirus epidemics (2019/2020) have also been potentially linked to the Chinese food chain.

Despite food-safety concerns, consumers are often limited in their food purchases by the higher price of products offering higher quality standards. As noted above, the 2019 Eurobarometer found that the cost of food is an important factor for 51% Europeans, and in 12 of the then 28 Member States, cost was identified most frequently among the factors influencing the choice of food.[86] This limitation is even more present in non-EU countries with lower purchasing power. However, the demand for quality products can be expected to increase hand-in-hand with growth of the global middle class, which is predicted to reach 5.3 billion people in 2030 (as compared to 3.3 billion people in 2017[87]). Middle class consumers have more choice on which food they buy and tend to buy quality food with higher added value. They are also more likely to experience new tastes, embrace regional and short food chain products, and eat out more.

Considering these factors, the high-quality standard of European agricultural promotion can be considered as its main competitive advantage. This created a strong connection between contribution to the specific objective 1 and the global objective.

PRESENTATION AND ANALYSIS OF EVIDENCE

Extent to which the policy funded programmes aiming to increase awareness of merits and high standards

As explained under the limitations in section 4.1, information on the number of programmes funded / budget spent of programmes is not collated at the aggregate level and there were specific challenges with using the case studies as a proxy. Nevertheless, the AWPs did include earmarked budgets for simple programmes in the internal market 'highlighting the specific features of agricultural methods in the Union and the characteristics of European agricultural and food products' in 2016-2019. For multi programmes the allocation in three of the four years does not differentiate between objectives 1 (generic awareness raising) and 3 (i.e. promoting EU quality schemes); confirming the inter-connectedness of these objectives. It is noted that earmarked budget may not capture the full budget actually spent: in practice, all topics of the AWP could be used to promote high standards and merits of EU production (unless they are dedicated to promoting EU quality schemes or to increase fruit and vegetable consumption; in third country markets, the topics of simple programmes can address any objectives). As such, the earmarked budget provides an indication of the minimum expected allocation rather than the full possible allocation (which is likely to be higher given the above).

[86] European Commission (2019). *Special Eurobarometer Wave EB91.3. Report Food Safety in the EU.* Available here.
[87] European Commission (2019). *Growing consumerism*. Available here.

Table 13: Budget earmarked for promotion of high standards and merits of EU agri-food (objective 1) and promotion of EU quality schemes (objective 3) in the AWP 2016-2019

Year	Total AWP allocation in million €	Earmarked budget for Programmes promoting high standards and merits of EU production and EU quality schemes in million €; Simple + Multi = Total	% budget [88]
2016	111.3	6.7 + 14.3[89] = 21	19%
2017	133	10.1 + 12.9[90] = 23	17%
2018	179.1	7 + 30[91] = 37	21%
2019	191.6	8 + 32.8[92] = 40.8	21%
TOTAL	**615**	**31.8 + 90 = 121.8**	**20%**

Source: Aggregated data based on Annual Work Programmes

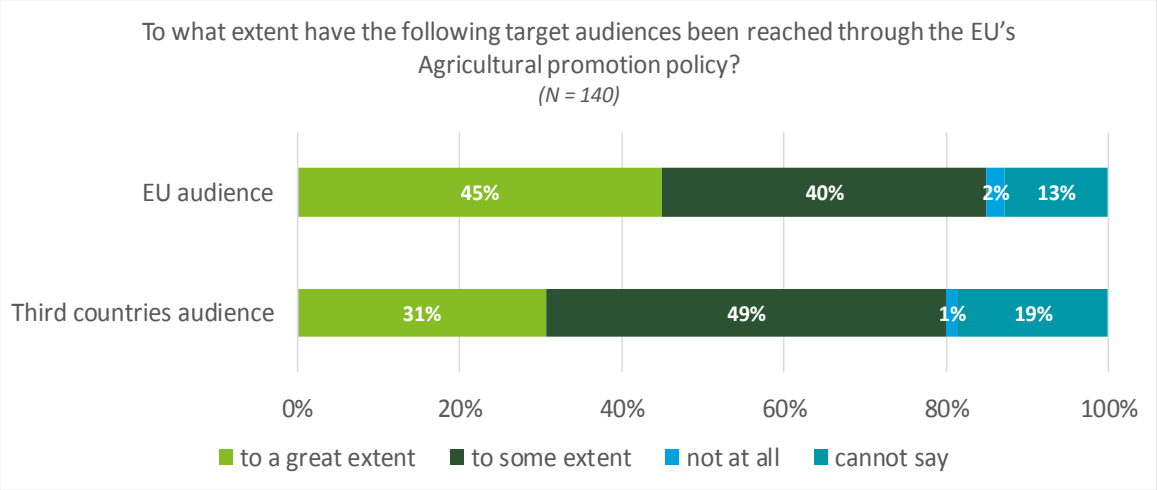
Extent to which target audience was reached

Reaching the target audiences is a prerequisite for the achievement of the specific objective of increasing the awareness of the merits of EU agricultural products and the high standards of their production. The findings from the online survey and case studies suggest that stakeholders are broadly in agreement that this prerequisite was fulfilled at least to some extent.

While the target audience was reached both in the internal market and in third countries, the online survey data show that the programmes aimed at the former were considered slightly more successful (as shown in Figure 9). This could be mainly linked to the size of targeted third country markets, but also to better knowledge of the target audience in the internal market.

[88] It should be noted that this refers to percentage of the budgets earmarked for objectives 1 and 3, not to total funds allocated to objective 1 across the AWP.
[89] Also covers specific objective 3
[90] For this year, the Multi-Programme budget earmarks a sum for both internal and third country markets under Topic B
[91] Also covers specific objective 3
[92] Ibid.

Figure 9: Extent of audience reach through the EU's agricultural promotion policy



Source: Online survey of proposing organisations and IB, Online survey of NCA including only NCA with implemented programmes

As mentioned, evidence from the case studies corroborates the positive narrative of the survey results. Evidence from case studies shows that a good level of knowledge of the targeted audience and its media consumption and communication patterns proved useful in designing the campaigns. Effective campaigns also considered specific media and advertisement consumption patterns in various target markets. This can be illustrated by the case of promotion of dairy products in China, where one of the most important sources of outreach are public influencers and social media personalities.

Inclusion of the message on the merits of EU agricultural products and their high standards

Evidence regarding the promotion of the high-quality standards of European products was observed in the case study research conducted. The case study evidence confirms the message featured prominently in the programmes, as anticipated. This was especially the case in third country markets, where the quality standard of EU food production is one of its main competitive advantages. In these markets, the high quality of the items promoted was also linked to other production features, such as ensured safety or tradition, depending on the specific market and sector. Examples below illustrate this:

- In the US alcoholic beverages market, the quality of EU products was strongly linked to notions of tradition and heritage. The importance of the message can be seen even in names of the programmes, for example: 'Enjoy European Quality and Genever Tradition', while promoting beverages' regional specificities and traditional flavours. (This was closely linked to EU quality schemes, see section 3.1.4. for further description.)
- Dairy promotion in the Chinese market provides another example of a strong link between quality standards and safe products.
- In the UAE fruit and vegetable market, strong guarantees of high quality were promoted as the biggest asset that European products demonstrate. This is important in the context of competition with other cheaper imported fruit and vegetables (for instance, Washington apples and other fruit and vegetables imported from Turkey, Azerbaijan and Moldova).

On the internal market, no specific strong message about the higher standards of European products was found to be included in the promotion campaigns, although individual programmes might have highlighted features such as taste or local origin of the production, sometimes along with environmental standards as such considerations are increasingly affecting consumer choices, according to Eurobarometer special report 473.[93]

One of the tools promoting EU products was the slogan 'Enjoy, it's from Europe' in the target markets, which was a compulsory signature for all the selected programmes. In third countries, the slogan was generally very well accepted, although some minor concerns were raised, while more reservations raised with regards to the slogan usage in the internal market:

- In the US market with alcoholic beverages, it was reported that the 'Enjoy! It's from Europe' slogan was well-known. The anecdotal evidence suggests that the slogan is useful in terms of allowing consumers to easily identify European products and providing a level of trust in the quality and origin of products bearing this message. Concerns were, however, raised about confusion due to the multiplicity of labels being used, such as the 'Enjoy! It's from Europe' slogan and the links to specific territories guaranteed by the PDO and PGI quality labels.
- In the Chinese market, stakeholders perceive the EU flag and the 'Enjoy! It's from Europe' logo as a marker of quality. However, when using the logo, implementing bodies faced specific difficulties with translations, and the slogan needed to be rephrased.
- In the UAE, the slogan was considered recognisable and easily used on various promotion materials. On the other hand, proposing organisations implementing programmes on the UAE market raised concerns regarding sufficient reflection of variety and differences among the products offered by EU countries.

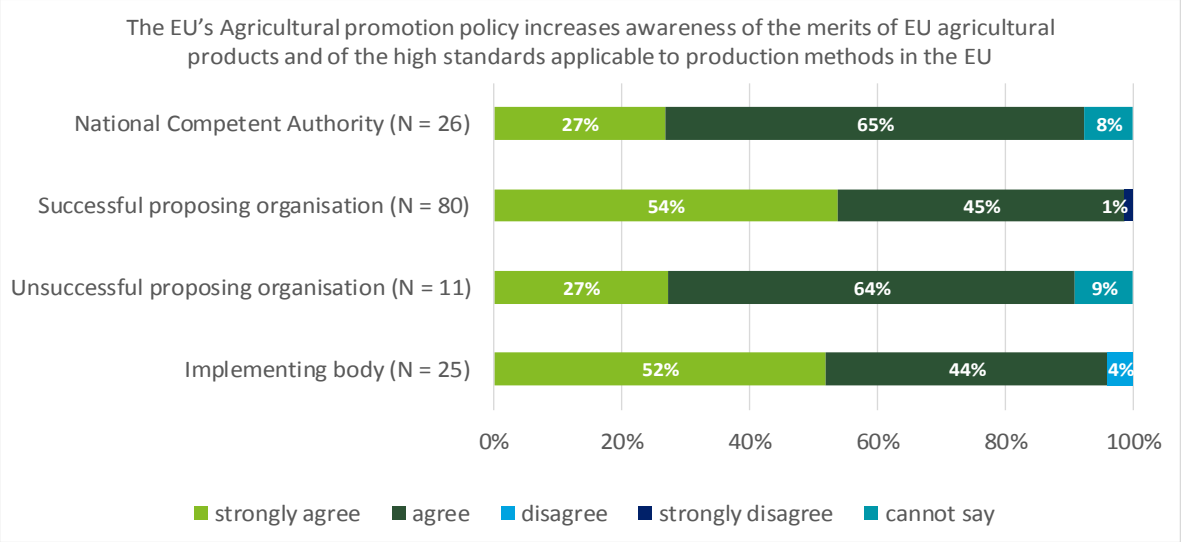
Within the internal market, the promotion of the EU's own products was considered positive, and the fact it serves as a support for local producers. Concerns were raised mainly about the meaning of the 'Enjoy! It's from Europe!' slogan for European consumers, for whom labelling food origin so broadly was considered to be potentially confusing as they typically consider high quality, distinctive food products in terms of individual countries or regions or even localities.

Promotion policy contribution to awareness on merits and high standards of EU production

The evaluation findings suggest that the EU promotion policy contributed to increased awareness about the high quality of EU agricultural production. This is supported by the results of the online survey, where most respondents agreed or strongly agreed that the policy generated this effect. Organisations involved in programme delivery (i.e. successful proposing organisation and implementing bodies) were most positive about the effectiveness of the promotion policy in contributing to this specific objective.

[93] European Commission (2018). Special Eurobarometer 473. Europeans, Agriculture and the CAP, as quoted in Case Study 4. Available here.

Figure 10: Effects on awareness of merits of EU agricultural products and high standards of production methods



Source: Online survey of NCA, Online survey of proposing organisations and IB

Several factors were identified as effective in increasing target group awareness. First, was the focus on one aspect of the 'quality standard' message, suggesting associated values such as safety. Secondly, the message brought by the slogan 'Enjoy! It's from Europe!' was found to be strong because it is simple and clear, and this helped to enhance recognition among end consumers. However, some respondents in the EU market considered that the slogan was somewhat generic, which might be less appealing than a more specific slogan. Some stakeholders also considered the limitation on the use of brands and specific country origin as limiting the effect of their own promotion measures. Yet it is difficult to enhance consumer awareness through promotion. High levels of message repetition and long-term efforts are typically required, especially in cases when the target audience is vast and the initial familiarity is low, which might be the case in certain non-EU markets.

SUMMARY

In summary, it is difficult to quantify the extent that the promotion policy is effective in contributing to increasing the awareness of the merits of EU agricultural products and the high standards applicable to EU production methods, or the exact size and profile of the target group reached in internal and external markets. But there is stakeholder consensus that EU policy and programmes contributed to increased awareness and reach of their target groups, at least to some extent, as well as evidence to confirm the promotion of messages on the merits of EU agricultural products.

The amount of contribution related to budget allocations. Between 2016 and 2019, €121.8 million was earmarked for simple and multi programmes promoting EU quality schemes. The annual budget for this objective represented 17% – 21% of the total AWP allocation.

There are different levels of appreciation of the slogan 'Enjoy! It's from Europe' by target audiences in internal market and in third countries. While reaching the target audience appears to be easier within the Union, the message stressing quality standards of products was more relevant in the third countries, where it was associated with other values such as safety and tradition. The slogan 'Enjoy! It's from Europe!' was generally very well accepted with some minor concerns raised.

4.2.3. Specific objective 2: Enhanced competitiveness, consumption and profile

Sub-question 1.2 To what extent were the measures of the promotion policy effective in **enhancing the competitiveness and consumption** of EU agricultural products and certain food products, **and to raise their profile** both inside and outside the EU? *(specific objective 2-Art 2.2.b)*

COVERAGE OF SUB-QUESTION

To answer this sub-question, the following judgement criteria were used:

- Extent to which evidence confirms **changes in competitiveness, consumption and the profile** of EU agricultural products – focussing on qualitative evidence demonstrating nature and scale of stakeholder agreement that the promotion policy can contribute to increasing consumption, competitiveness and profile of relevant products;
- Extent that evidence confirms **contribution of selected programmes to changes in sales, consumption and other relevant metrics** for relevant products and countries – focussing on evidence from the case studies;
- Extent that evidence confirms **contribution of selected programmes to changes in the profile of EU agricultural products** (awareness of the high quality of products) – focussing on evidence from the case studies.

This sub-question is directly linked to the promotion policy's specific objective 2, which distinguishes two elements looking at both the internal market and third country markets ('both inside and outside the Union'): 1) increased competitiveness and consumption and 2) raising the profile of EU agricultural products. For the purpose of evaluating the effectiveness of the policy in relation to this specific objective, these elements have been assessed as follows:

- **Increased competitiveness and consumption:** Competitiveness implies having the capability to generate profits in a competitive market. This is often assessed on the basis of increased sales in a given market. Increased sales of agricultural products and increased consumption are intrinsically linked and, therefore, both competitiveness and consumption can be addressed together – however the external factors that can impact on them can differ (see background section below). The evidence provided in this section is based on:
  - Documentary and qualitative evidence presented in the case studies of the extent to which the selected programmes have contributed to (or show positive signs of a potential contribution in the future) to an increase in sales and consumption of the products promoted in the markets targeted by those programmes.
  - Stakeholder perceptions collected through the online survey and in-depth interviews of the (potential) contribution of the EU promotion policy overall on competitiveness and consumption of EU agricultural products promoted.

General trade trends of EU agricultural products cannot be used as evidence of the effectiveness of the promotion policy but are provided for context (see background section below) to set the scene for the analysis of the evidence, which is linked to the measures themselves.

- **Raising the profile of EU agricultural products**: this part of the specific objective refers to an increase in consumer awareness of the high quality of EU agricultural products. Evidence on this point is provided in the previous section, when assessing the effectiveness of specific objective 1 on: 'increasing the awareness of the merits of EU agricultural products and the high standards applicable to the production methods in the EU' and is not repeated here.

BACKGROUND

EU trade in agricultural products

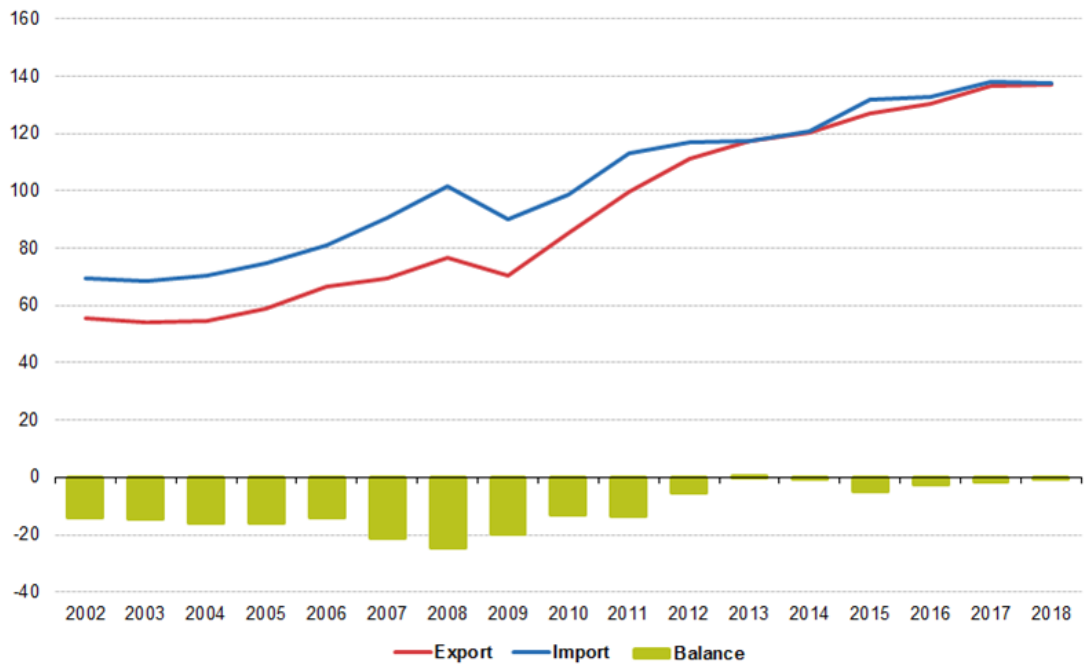
Production and trade in agricultural and agri-food products is a major asset for the European Union. In 2016, agricultural land covered roughly 40% of the surface of the EU. The EU produces a wide variety of agricultural products as well as providing safe, traceable and high-quality products. There are around 10 million farms in the EU and 22 million people work regularly in the sector[94].

The value of trade in EU agricultural products (imports plus exports) more than doubled between 2002 and 2018, with an average annual growth of 5%, with exports (5.8%) growing faster than imports (4.3%). In 2018, the value of trade in agricultural products between the EU28 and the rest of the world was €275 billion.[95]

As the graph on next page shows, with the exception of 2013, in the period from 2002 to 2018 the total export value of agricultural products from the EU28 to non-EU countries was slightly lower than the value of imports of agricultural products into the EU. At the same time, the trade deficit in agricultural products was progressively reduced, especially in the period after 2012, and it was equal to around €1 billion in 2017 as well as 2018[96]. However, as explained at the end of this section, external effects, such as world prices and exchange rates, may have also influenced these trends.

[94] European Commission, the common agricultural policy at a glance, see here.
[95] Eurostat, 'Agricultural product developments between 2012 and 2018'. Available here.
[96] Ibid.

Figure 11: Extra-EU exports, imports and trade balance of agricultural products, 2002-2018 (€billion)



Source: Eurostat

Intra-EU trade/Internal market: In 2017 the share of intra-EU exports of agricultural products represented about 75% of total exports. Imports from non-EU countries represented less than 25% of total imports. Most agricultural products produced in the EU are destined for consumption inside the EU[97].

In terms of imports to the EU, Brazil, the United States, China and Norway were the top import partners in 2017 and 2018, along with Argentina and Ukraine. While imports from these countries typically consist of specific items other than vegetables (such as fish, soya and beef), in sum, vegetable products make up the majority of imported agricultural products (48%).[98]

External factors impacting on the competitiveness of EU agricultural products

The difficulty in attributing any increases in competitiveness of EU agricultural products to the EU promotion policy lies – in part - in the many external factors that influence production, sales and trade.

There are many external factors that influence the level of trade and exports and competitiveness, such as:

- **Political, legal and regulatory changes** impacting on trade, such as diplomatic tensions, economic sanctions, or when new bilateral trade agreements enter into force. Specific examples include:
  - **Brexit**: the uncertainties surrounding Brexit affected the relationships between European and British business partners and decisions made in terms of targeting the UK market going forward.

[97] DG AGRI, Agriculture in the European Union and the Member States - Statistical factsheets, May 2018.
[98] See Eurostat: *Statistics explained. Extra-EU trade in agricultural goods.* Available here.

Moreover, as a direct result of Brexit, the programme 'Mushrooms Complement Everything' adjusted its target market from the UK in the current programme to Ireland and other EU markets, which are to be targeted in upcoming period.
  - The introduction of **increased tariffs by the US** government in 2019 on a number of European products, including wine, sparkling wine, grape brandy whisk(e)y and olive oil;
  - The **Russian embargo** imposed on EU products since 2014
  - The 2017 China-New Zealand **trade agreement**, which abolished trade tariffs on butter from New Zealand, whilst European butter remained heavily taxed, which is likely to have impacted on the decline in exports of butter e.g. from Belgium to China between 2017-2018.
- **Changes in target markets' GDP per capita and increases in consumer income**: For example, China has an ever-growing middle class and its GDP per capita grew yearly by 6% or more the last 5 years. In relation to this, its consumption of dairy products increased, creating valuable niche markets. The Chinese cheese market provides an example; experts estimate a growth in its value from $750 million in 2018 to $1.5 billion over the next five years. In addition, people from middle class generally are eating out more, or on-the-go, placing importance of value-added food service and convenience. More generally, the growth of the target market is an important consideration – up to some extent, it may be easier to grow sales within a rapidly growing market.
- **Exchange rates:** for example, desk research conducted for the case study on wine, beer and vinegar in the US showed an increase in sales value of wine in the US in US dollars, before noting that some of this can be attributed to a fall in the value of the Euro against the US dollar.

There are also many external factors that have an impact on the competitiveness of products in the agricultural sector, such as:

- **Regulatory changes, which impact the production process**: for example, the introduction of quota for phosphate emissions in 2019 in the EU, which slowed down the production of dairy products in the Netherlands.
- **Natural disasters and epidemics**, which limit production, for example swine flu which gave great opportunities to European pork exporters. Avian flu had similar impacts in earlier years. While the effects of the present COVID-19 pandemic are unfolding in real time.
- **Whether the target market is self-sufficient or in need of imports of a certain product**: For example, the Chinese self-sufficiency rate for dairy, a ratio that balances production, consumption, import and export, is negative; meaning a country with 1.4 billion inhabitants is reliant on imports to meet domestic demand.
- **Annual changes in grain yields, which influence world prices, net import-export balances in key markets, and the external EU trade balance and market potential**.
- **Production increases** in some non-EU countries such as Ukraine and Russia, where both vegetal (maize, sunflower) and animal production (poultry, pork, milk) have significantly risen, with a very low production cost (linked to the production sites' size, low wages and availability of good quality arable lands). This development challenges the EU position in these countries' markets, in EU markets and in other non-EU markets (for instance Middle East countries).

Finally, an important external factor is other similar promotion activities that are happening in parallel to the EU promotion policy, which boost sales (and consumption) of particular products, implemented either from private sector or a national level in MS.

External factors impacting on the level of consumption of agricultural products

Agricultural products, food and culinary traditions are a major part of Europe's identity. In the EU28 there are about 510 million consumers and they all need a reliable supply of healthy and quality food at an affordable price. However, there are many challenges (e.g. global competition, economic and financial crises, climate change and volatile costs of inputs) which can have consequences on production and consumption.

In 2019 in the EU, the most important factors when buying food included cost, food safety, ethics and beliefs[99]. However, these factors vary across the world and even within the EU the weight given to each factor is very variable. Furthermore, there is a general shift in consumption:

- Reduced meat (except possibly poultry), bread and sugar consumption; and
- Increased consumption of plant-based proteins.

These shifts could lead to a trend towards falling meat and dairy sales, and an increase in the sales in the vegan sector.

Furthermore, consumers in the EU are becoming more demanding about the food they eat (e.g. demanding local, GM-Free, organic or certified products)[100], also highlighted by the total organic sector[101]in the EU28, which increased by 34% between 2012-2018.[102] According to the 2018 Eurostat report, these trends will carry on in 2018-2030[103]; for example, the global sales of organic food have increased from $18 billion in 2000 to $97 billion in 2017[104].

PRESENTATION AND ANALYSIS OF EVIDENCE

Extent to which the policy funded programmes aiming to achieve specific objective 2

All promotion campaigns are understood to implicitly have the increase in competitiveness – and consumption - in their remit (indeed, increasing competitiveness is the general objective of the policy as a whole).

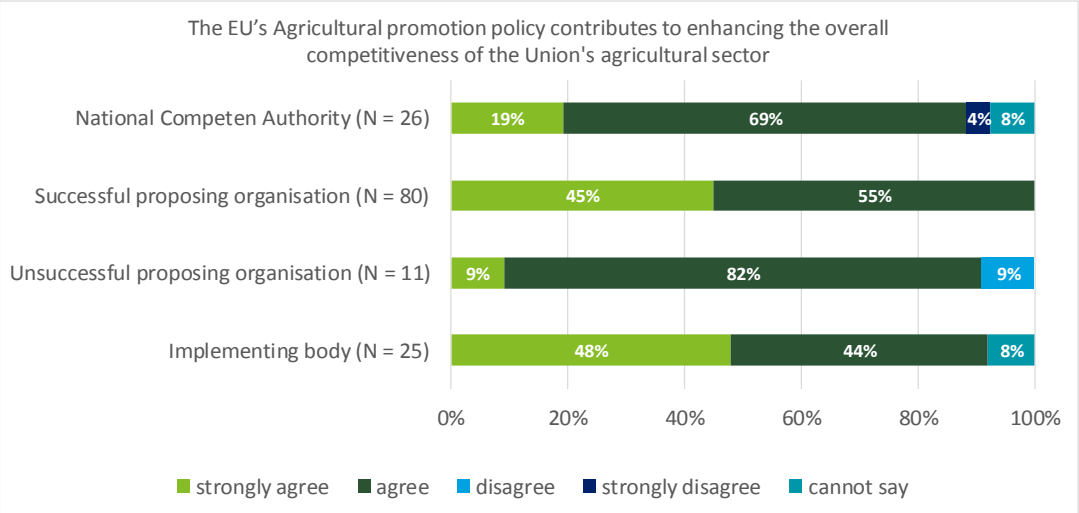
[99] European Commission (2019) Report: EU agricultural outlook 2019-30
[100] European Commission (2018) EU agricultural outlook 2018-2030
[101] Organic area covers land fully converted to organic farming and areas under conversion. Organic farming is a way of agricultural production which uses organic production methods and places the highest emphasis on environmental and wildlife protection and, with regard to livestock production, on animal welfare considerations.
[102] Eurostat: Statistics explained. Organic farming statistics. Available here.
[103] Ibid.
[104] Statista. Worldwide sales of organic food from 1999 to 2018. Available here.

General perceptions of stakeholders on policy's effects on competitiveness and consumption

Overall, stakeholders have a positive perception of the EU promotion policy's effects on the competitiveness and consumption of EU agricultural products.

Most surveyed stakeholders agreed or strongly agreed that the EU's agricultural promotion policy contributes to enhancing the overall competitiveness and consumption of the EU's agricultural sector (see Figure 11 and 12 below). The level of agreement on the policy's contribution to both competitiveness and consumption is the strongest amongst successful proposing organisations (100% agree or strongly agree) and implementing bodies (92% agree or strongly agree).[105] The share of respondents seeing a positive impact on consumption outside the EU (without 'cannot say') is larger compared to consumption inside the EU.

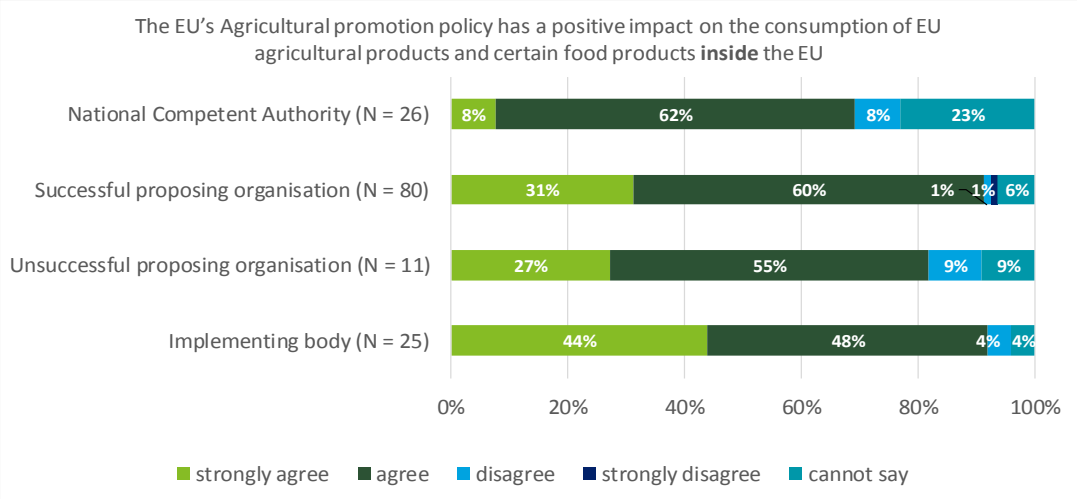
Figure 12: Effect on enhancing overall competitiveness

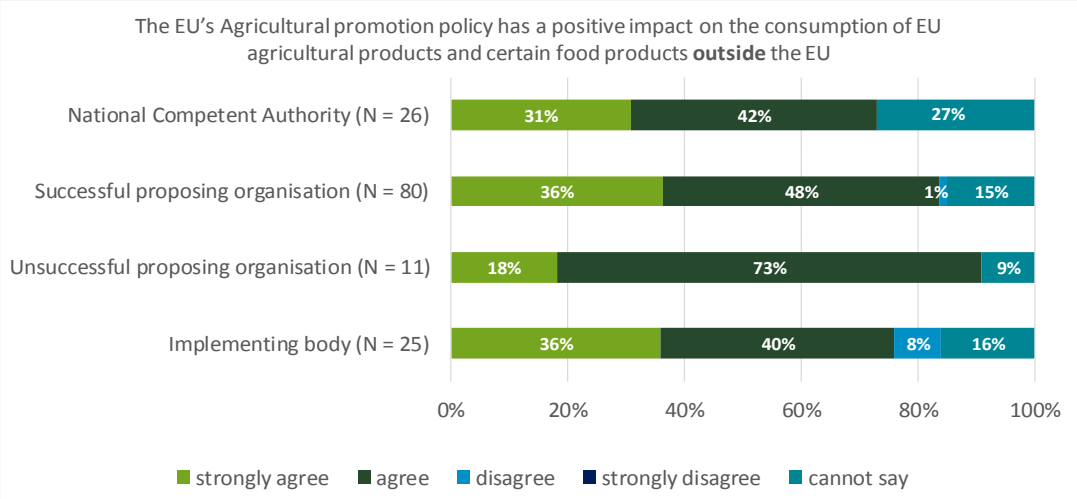


Source: Online survey of NCA, Online survey of proposing organisations and IB

[105] The only response of 'strongly disagree' appeared among National Authorities; consisted of one respondent.

Figure 13: Effect on consumption of products inside and outside the EU





Source: Online survey of NCA, Online survey of proposing organisations and IB

Effectiveness by agricultural sectors or product type

Interviewees from DG AGRI stated that due to the different challenges across product sectors, it is likely that the results of programmes from different product sectors diverge. The evaluation found the following evidence of an increased consumption and competitiveness in specific sectors:

Dairy sector: The sector that was most positive in the online survey about the policy's effects on the overall competitiveness of the EU's agricultural sector was the dairy sector (80% of successful proposing organisations strongly agreed with the statement compared to around 36 – 37% for the other product sectors). In addition, interviewees from DG AGRI also mentioned increased consumption in the dairy sector. The case study on dairy products in China, which included two programmes that explicitly aimed to increase competitiveness and consumption, also highlighted positive trends in the consumption of dairy products since the implementation of the programmes, with the EU as one of the main exporters, in fierce competition with New Zealand and Australia (in particular for butter). Although cheese is a relatively new and unfamiliar product in the Chinese market, EU cheese exports to China have been slowly but steadily increasing since 2016. The stakeholders interviewed consider that EU promotion is very important to continue this trend. However, results differ per dairy product and per EU Member State. For example, since the implementation of the programmes in 2016, Belgium has seen a rise in packaged milk exports to China[106], while in France the amount of exported dairy goods has varied highly since the implementation of its programme – with skimmed milk product exports increasing, whole milk powder exports decreasing[107], and exports of cheese and butter remaining roughly the same.[108]

The case studies provided specific insights into the consumption and sales trends of the products promoted in relation to the following:

- **Wine, beer and vinegar:** The case study on wine, beer and vinegar in the US[109] showed mixed results. Desk research suggests there was an increase in the export value of EU wine and brandy on the US market[110], but a decrease in the value of beer exports. Despite that, promotion in this sector on the US market for the purpose of competitiveness seems relevant considering the significant competition from local producers and producers in non-EU regions (e.g. Australia, Argentina and New Zealand). Stakeholders directly involved in the selected programmes stopped short of directly linking their increased sales to the programmes implemented, noting that significant investments by individual brands in sales and direct marketing were more likely to have had a more direct and/or significant impact on sales. Instead, they viewed the programmes funded as a 'springboard' or 'starting point' for educating influencers, opinion setters and ultimately consumers about the specific products being promoted.
- **Fruit and vegetables**: The third country market case study on fruit and vegetables in the UAE (which included three programmes that aimed to increase exports to the UAE) reported a steady increase in the export of EU fruit and vegetables to the UAE in the last five years (mainly apples, potatoes, vegetables, oranges, onions and kiwis), as well as an increase in the consumption of juice (which is the focus of one of the selected programmes). France and Italy are the main EU exporters but face strong competition,

[106] See: CLAL.it. Belgium: Dairy sector. Available here.
[107] Milk powder products were promoted particularly by White Gold programme.
[108] See: CLAL.it. France: Dairy sector. Available here.
[109] These included programmes that aimed to increase exports to the US and competitiveness and consumption).
[110] A significant proportion of the increased value of European products can be traced to the decrease in value of the € against the dollar from $1.33 in 2013 to $1.18 in 2018. When the annual average exchange rate is factored in, there is still an increase in the value of wine, brandy and gin/genever, but this is slightly lower (a 20% increase in the value of wine exports, when adjusted for exchange rates, a 42% increase in the value of brandy (including cognac), and a 29% increase in the value of gin and genever.

notably from Egypt, Iran, India. On the promotion of French apples in the UAE, the previous implementation period had reported that the measures successfully encouraged consumers to buy products. Within this period, however, further increased consumption has not yet been reported. Of the three programmes that aimed to increase consumption and/or exports reviewed as part of the EU internal market case study on fruit and vegetables, only one programme reported significant increase in consumption, namely an increased pear consumption among German consumers, as evidenced by an online survey conducted among a sample of over a thousand consumers. Another programme reported a small increase in the proportion of families with children in Denmark with a preference for EU vegetables (from 54% in 2015 to 57% in early 2019), as evidenced by the measure's preliminary results report.

- **Meat:** The case study on meat product promotion covered five programmes. Three of them aimed to increase consumption, one to increase sales values and one to address both of these goals. However, the evaluation reports available to date did not include information on if and how the programmes have progressed towards reaching these sales targets. The proposing organisations and implementing bodies of the programmes promoting pork in Spain reported an increase in the pork consumption (0.8% fresh pork meat and 6.9% of frozen pork) in Spain between 2017 and 2018, despite the fact that the consumption of pig meat had been fairly stable in the EU since 2016. This increase in consumption was, however, rather attributed to meat promotion efforts in general rather than solely to the programmes reviewed in this report.

Effectiveness of programmes by target market (EU internal market versus third country market)

There is some evidence suggesting that **programmes targeting third country markets have a higher potential of being effective at increasing consumption and sales, compared to programmes targeting the EU internal market**: In the online survey, the share of respondents reporting a positive impact on consumption outside the EU was higher than the same for inside the EU. EU officials from DG GROW and DG TRADE reported their view that the growth potential of third countries' markets is higher than within the internal market, in part because their large size, fast growth and increasing consumption overall.[111] EU-wide agricultural producer organisations interviewed also consider the EU promotion policy as effective in terms of contributing to overcoming a sense of competition among EU producers in third country markets, particularly because of cooperation among these organisations which is required in application for and implementation of multi programmes. Stakeholders interviewed as part of the EU internal market case study on meat highlighted that increased consumption and market share of one meat product could reduce the consumption of another European meat product and without leading to an overall increase in consumption.[112]

[111] When making this comparison, it needs to be noted that third country markets were selected according to the potential they have for EU agricultural products promotion.

[112] Although this was specifically mentioned in the case of meat production, the same can happen in other production categories.

Effectiveness of programmes by type of activity

The case study interviews highlighted activities considered as particularly effective in increasing competitiveness and consumption as follows:

- **Activities focussing on direct contact with the consumer**, such as product tasting activities. These were viewed as particularly effective as they can have an immediate impact on product consumption, in particular where the activities take place at locations where the products promoted are for sale (e.g. shopping centre or supermarket) so consumers can be directly guided to where they can buy it. Similarly, a few stakeholders mentioned bus tours stopping at different locations (including remote locations) explaining to consumers the high standards followed in the production of EU meat products and providing product samples.
- **Trade fairs and events** were highlighted as effective for networking and establishing personal relationships with trade customers that would facilitate future sales.
- **Product promotion by influencers** (such as chefs or food critics from TV programmes);
- **Using social media in promotional activities** rather than journalists.

Differences in effectiveness depending on the timing of applications: The online survey showed that the perception of successful proposing organisations on the policy's contribution to both competitiveness and consumption was the same for those that implemented programmes starting in 2016-2018. A higher proportion of proposing organisations implementing 2019 programmes replied: 'cannot say', because their programmes had not yet started.

SUMMARY

There is a lack of systematic evidence on the exact contribution of the promotional policy on levels of consumption and competitiveness of EU agricultural products linked to the timing of this evaluation, the fact that proposing organisations have not yet submitted the relevant reports and also the difficulties in making a direct link between the programme implementation and these types of impacts. There are many external factors outside the control of the programmes, which may influence sales and consumption. This finding highlights a key programming challenge for DG AGRI: how to link programme implementation to the achievement of policy ambitions. However, stakeholders consulted in this evaluation consider that the policy has the potential to increase consumption and competitiveness and there is evidence from the case studies that the selected programmes are contributing to increased sales and consumption of the EU products promoted in the target markets. The case study programmes do not allow conclusions to be drawn on the most and least effective products or types of activities at increasing consumption and competitiveness. Yet, the programmes suggest promising effects that might increase consumption in relation to activities that focus on direct contact with consumers, networking activities at trade fairs and events, product promotion by influencers and using social media in promotional activities instead of journalists.

4.2.4. Specific objective 3: Awareness and recognition of quality schemes

Sub-question 1.3 To what extent were the measures of the promotion policy effective in influencing the awareness and recognition of **Union quality schemes**? (*specific objective 3-Art. 2.2.c)*

COVERAGE OF SUB-QUESTION

To answer this sub-question, the following judgement criteria were used[113]:

- Extent to which evidence confirms effects on awareness and recognition of Union quality schemes among target audiences
- Extent that evidence confirms an increase in awareness and EU quality schemes among target audience of specific programmes

As per EU Regulation 1144/2014, the target audience for the awareness of these schemes is ultimately consumers. However, to reach consumers the programmes target different intermediaries and multipliers like the journalists and the press, and buyers, etc.
These judgement criteria will be assessed by looking at[114]:

- Evidence that confirms the amount of funding that was allocated to measures, which promoted the EU quality schemes
- Qualitative evidence (collected through the case studies, online survey, and interviews) that the content of the promotion measures included messages on EU quality schemes; and the promotion policy contributes to awareness-raising and recognition of EU quality schemes.

BACKGROUND

Quality schemes aim to protect and promote agri-food products that have unique characteristics in terms of geographical origin and/or method of production. The agricultural promotion policy aims to promote an increase in awareness and recognition of the following quality schemes[115]:

- **Organic production method** (**Organic**) - The logo can only be used on products when they contain at least 95% of organic ingredients and additionally respect further strict conditions for the remaining 5%.
- **Protected designation of origin** (**PDO**) - every part of the production, processing and preparation process must take place in the specific region. Product characteristics rely on the pedologic and climatic conditions and on the local know-how and traditions.
- **Protected geographical indication** (**PGI**) - for most products, at least one of the stages of production, processing or preparation takes place in the region. Product characteristics are linked to local know-how and traditions.
- **Traditional Specialty Guaranteed (TSG**) - traditional speciality guaranteed highlights the traditional aspects such as the way the product is made or its

[113] Originally, it was planned to look also cover trends in awareness of EU citizens of EU quality schemes, however such data were not available in relation to the period under review.
[114] Please note that the judgement criteria relating to evidence that the target audience was reached based on the document review, monitoring data from multi and simple programmes and levels of consensus in the online stakeholder survey was covered under specific objective 1 and is not duplicated here.
[115] As per Article 5 (4 a-d), Regulation (EU) No 1144/2014.

composition, without being linked to a specific geographic area. When a product is registered as a TSG, it is protected against falsification and misuse.

- **Outermost regions:** The logo for quality agricultural products specific to the outermost regions of the Union, such as French Guiana (FR), Madeira (PT) and Canary Islands (ES)[116].
- Quality schemes[117] which cover[118]:
  - **farm certification schemes**, for agricultural products, cotton or foodstuffs, recognised by the Member States as complying with certain criteria[119]; or
  - **voluntary agricultural product certification schemes** recognised by the Member States as meeting the Union best practice guidelines for the operation of voluntary certification schemes relating to agricultural products and foodstuffs.

DG AGRI collates information on the number of registered quality labels for three EU quality labels: PDO, PGI and TSG[120] The most up-to-date information shows over 1 400 registered agri-food products and foodstuffs inside the European Union, which can be categorised as follows to show where these three labels are most used:

- **Label type**: Just over half of these were PGI labels; 44% were PDO and 4% were TSG.
- **Geographic spread**: The majority (80%) were registered in seven Member States: 21% in Italy; 17% in France; 14% in Spain; 10% in Portugal; 7% in Greece; 6% in Germany and 5% in the UK.
- **Food-stuff products categories (and origins):**
  - fruit, vegetables, and cereals accounted for 27% (mostly Italy, followed by Spain and France);
  - meat-based products and fresh meat combined were 25% of the total (dominated by France for fresh meat, and Italy and Portugal for meat-based products)
  - cheese was 17% of the total (mostly France, and Italy).

The above relate to volumes of the three quality schemes for food stuffs. Taking into account wine as well (but not spirits and beverages), it is possible to see the value of production and the importance of quality labelling on wine through a few illustrative examples from large Member States, as evidenced by desk research[121]:

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[116] As referred to in Article 21 of Regulation (EU) No 228/2013 of the European Parliament and of the Council (3).

[117] These types of schemes (national and voluntary) are not targeted by the specific topics of AWPs on the EU quality schemes.

[118] Article 5 (4) (d) Regulation (EU) No 1144/2014, Article 16(1)(b) and (c) of Regulation (EU) No 1305/2013 l. These types of schemes (national and voluntary) are not targeted by the specific topics of AWPs on the EU quality schemes.

[119] The specificity of the final product under such schemes is derived from clear obligations to guarantee any of the following: — specific product characteristics, — specific farming or production methods, or — a quality of the final product that goes significantly beyond the commercial commodity standards as regards public, animal or plant health, animal welfare or environmental protection; (ii) the scheme is open to all producers; (iii) the scheme involves binding product specifications and compliance with those specifications is verified by public authorities or by an independent inspection body; (iv) the scheme is transparent and assures complete traceability of products.

[120] eAmbrosia – the EU geographical indications register. Available here.

[121] Comparable data exists for 2005 – 2010 (as published in a report commissioned by the EU and published in 2012. Available here. A similar report with data covering recent years (2011 – 2017) has also recently been published and is available here.

- The total value of PDO and PGI production in Italy (at the point of consumption) stood at €15.2 billion, representing 18% of the overall economic value of the national agri-food sector[122].
- In France, the value of the national GI production in the same year – but at ex-factory stage - was estimated at €23 billion, mainly driven by wine (over 77%)[123].
- The overall value of the market for products registered under the EU's quality schemes was lower in Spain, at around €2.4 billion in 2016, in addition to €4.4 billion generated by PDO and PGI wine (again at ex-factory stage) – around one-third of France's total value[124].

Regarding organic produce, Germany was the largest retail market for organic products, estimated at over €10 billion in 2017, followed by France and Italy, at €7.9 billion and €3.1 billion respectively[125]. In France, the total turnover of the organic sector grew by almost 16% in 2018 compared to the previous year, and around 5% of the value of household food purchases was organic products[126]. Austria's market was valued at €1.7 billion in 2017, growing by around 12% between 2016 and 2017 [127].

To provide some background on the effectiveness of these quality schemes in the EU, reference is made to the Special Eurobarometer (EB) 473 on Europeans, Agriculture and the CAP[128] (no similar study for third countries was identified). The EB confirmed EU consumer perceptions of the four EU quality labels, as well as the Fairtrade mark, based on the results of an extensive consumer survey carried out in the EU28 in December 2017[129]. The key results were:

- The method, the origin of the product or the existence of a quality label are important factors that consumers consider when deciding whether to buy food products.
- One third of respondents (33%) were not aware of any of these EU quality labels and conversely 63% of respondents were aware of at least one of these logos.
    - The Fairtrade logo (not an EU logo) achieved the highest recognition (37%),
    - Followed by the EU organic farming label (27%).
    - Almost one in five respondents was aware of the PDO and PGI logos (both 18%)
    - 15% were aware of the TSG logo.

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[122] Ismea (2018). *Rapporto 2018 ISMEA – QUALIVITA sulle produzioni agroalimentari e vitivinicole italiane DOP, IGP e STG*. Available here.

[123] Institut national de l'origine et de la qualité (2019). *Appellation d'origine protégée/contrôlée (AOP/AOC).* Available here.

[124] Secretaría General de Agricultura y Alimentación (2016). Datos de las Denominaciones de Origen Protegidas (D.O.P.), Indicaciones Geográficas Protegidas (I.G.P.) y Especialidades Tradicionales Garantizadas (E.T.G.) de Productos Agroalimentarios, Año 2016. Available here.

[125] FiBL and IFOAM (2019). *The World of Organic Agriculture. Statistics and Emerging Trends.* Available here.

[126] Agence Bio (2019). *Un ancrage dans les territoires et une croissance usoutenue. Les chiffres 2018 du secteur bio.* Available here.

[127] FiBL and IFOAM (2019). *The World of Organic Agriculture. Statistics and Emerging Trends.* Available here.

[128] Special Eurobarometer 473, Europeans' Attitudes Towards Food Security, Food Quality and The Countryside, February 2018. Available here.

[129] The EB data provides a useful baseline for consumer perceptions which could be measured in the future (if the same methodology were applied and particularly since a previous Special EB covered this issue in 2015). It cannot be used as evidence for the effectiveness given the early stage of the delivery of the programmes evaluated here when the survey was carried out.

- Awareness varied considerably by MS, for example respondents in France (45%), Italy (32%) and Greece (31%) are the most likely to be aware of the PDO, while those in Romania, Malta, the United Kingdom and Denmark (all 5%) are least likely. The EB survey does not cross-analyse this with the number of products registered in a given Member State.
- Although awareness of various quality labels was low, respondents that did know them confirmed that this strongly supports their purchase decision (i.e. upwards of two third of respondents were influenced by the logo)[130].

The 2018 EB report also said that: 'the emphasis of both public opinion and policy has shifted from ensuring food supply to focus on food quality and animal welfare and environmental standards'. A more recent EB (2019) (which did not include questions about quality schemes) suggested the origin of food and its cost were the two most important elements (53% and 51% of respondents respectively), followed by food safety (50%), taste (49%), nutrient content (44%), and ethical concerns (19%)[131].When assessing the effectiveness of the promotion policy support of awareness-raising schemes this gradual increase in consumer interest in these factors should be built in, which taken as a whole, are likely to support the effectiveness of activities to promote quality labels. However, this may differ across different product categories and countries (as discussed under the previous sub-question on, specific objective 2).

Likewise, as discussed under specific objective 2, changes in external contexts and changing market conditions can undermine progress. Consumer preferences shift both naturally and in response to changes in the external context and this shift can lead to issues surrounding whether measures designed at the application stage appropriately respond to this changed context and market conditions. Consider for example the impact that emerging consumer awareness of the environmental impact of meat consumption or consumer preferences shifting away from single-use plastics in packaging, can have in altering their consumption choices even over short periods of time.

PRESENTATION AND ANALYSIS OF EVIDENCE

Extent to which the policy funded programmes aiming to achieve specific objective 3

A precursor to programmes being effective is the channelling of funds to programmes that aim to influence awareness and recognition of Union quality schemes. As discussed previously, aggregated data on spend is not currently reported on. Nevertheless, from the AWP there is information on earmarked budget for programmes aiming to 'increase the awareness and recognition of Union quality schemes'[132]. Based on this, it can be calculated that, at least €137.7 million was specifically earmarked for the promotion of EU quality schemes between 2016-2019, based on the earmarked spend in the internal market (the spend targeting third countries was not included as it is more difficult to calculate)[133].

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[130] Special Eurobarometer 473 on Europeans, Agriculture and the CAP

[131] European Commission (2019). *Special Eurobarometer Wave EB91.3. Report Food Safety in the EU.* Accessed here on 24 January 2020.

[132] For 2016 specifically, this category excludes programmes that 'are illustrated exclusively with milk/dairy products, pig meat products or a combination of those two'.

[133] Meanwhile, simple and multi programmes which target third countries are not explicitly required to fulfil specific objective 3. Rather they may do so. Given the difficulties in disentangling the specific objectives of the programmes funded (the proposals and grant agreements do not systematically refer to the specific objectives) meaning it is difficult to calculate a precise sum which was spent on a given

- With regards to simple programmes targeting the internal market, the AWP allocated a total budget of around €45.5 million from 2016-2019 for simple programmes to promote the following EU quality schemes in the EU: PDO, PGI, TSG, as well as the organic and outermost regions logos.
- With regard to multi programmes, the 2016-2019 AWP allocated a total budget of €92.2 million to promote EU quality schemes: PDO, PGI, TSG, organic and outermost regions.

Table 14: Budget earmarked for promotion of EU quality schemes in the AWP 2016-2019 in internal market

	Total AWP allocation in million €	Earmarked budget for Programmes promoting EU quality schemes in million € in the internal market; Simple +Multi = Total	% budget
2016	111.3	10.05 + 14.3[134] = 24.35	21%
2017	133	12.4 + 15.1[135] = 27.5	20%
2018	179.1	11 + 30[136] = 41	23%
2019	191.6	12+ 32.8[137] = 44.8	23%
TOTAL	***615***	***45.5 +92.2 = 137.7***	***22%***

Source: Aggregated data based on Annual Work Programmes

Note: Programmes targeting third markets are excluded (see footnote 134).

Extent to which promotion measures included messages on EU quality schemes

Again, a precursor to effectively increasing awareness of EU quality schemes is that promotion programmes include messages on EU quality schemes. The case study research provided the opportunity to assess the extent to which promotion programmes included messages on EU quality schemes. One of the case studies focused on the implementation of programmes that had the promotion of products recognised under EU quality schemes of basket products in the internal market as their target. These are recalled below.

specific objective (especially since multiple specific objectives may be targeted by a given programme making it problematic – and not necessarily appropriate - to calculate a sum for the spend on a particular specific objective). Thus, it was decided to concentrate on internal market topics.

[134] Also covers specific objective 1.

[135] For this year, the Multi-Programme budget earmarks a sum for both internal and third country markets under Topic B.

[136] Ibid. footnote 135.

[137] Ibid. footnote 135.

Table 15: Programmes covered in case study focused on improved awareness in EU quality schemes

Programme details	EU allocation	Objective and scope
PDO/ PGI promotion Multi (2016)	€4 425 000	**Objectives:** Objectives of these programmes were to increase awareness and improve knowledge about the **PDO-PGI labels** among consumers in order to increase sales. In total, it covered 14 kinds of fruit and vegetables over three target markets. **Scope**: France, Italy and Germany
Information and Promotion Measures for Organic Products Simple (2016)	€2 100 000	**Objectives:** To gain widespread recognition for organically produced foods from the Union, and thus to build and strengthen consumer confidence in organic food. It further aims to increase awareness of the joint **EU Organic logo** as a reliable indicator for clearly recognising organic foods from the Union. **Scope:** Austria and Germany
TTA-Taste the Alps Simple (2016)	€871 736	**Objectives:** The main message spread by this programme concerns the system of EU quality **schemes PDO and PGI** as a guarantee of quality and safety for consumers while protecting the environment and social cohesion of the community. **Scope:** Germany, France, Italy
Origen España Simple (2016)	€663 741	**Objectives:** To increase awareness, value and appreciation of quality schemes **PDO and PGI between Spanish consumers**. This campaign aims to inform consumers about these European schemes. **Scope:** Spain
4EU Simple (2016)	€2 450 000	**Objectives:** (among others) increase and improve the knowledge of the **Union's quality regimes** - meaning and functioning, including graphic symbols - in order to make the consumers of the target countries known and understood about the merits of European agricultural products. **Scope:** Germany, Italy, Netherlands, Sweden

These cannot be considered representative of the coverage of programmes targeting EU quality schemes, but the case study provides insights in three programmes targeting PDO and PGI schemes; one targeting the organic logo and the last (E4U) on

more general awareness-raising of the quality schemes. Together, they had a combined budget of €10.5 million.

As can be seen from Table 15, all the evaluated programmes included the message regarding EU quality schemes. Apart from the logos of relevant schemes, they also used the compulsory 'Enjoy! It's from Europe!' slogan, which appeared in its English version rather than in different language mutations. The main types of activities supported across the programme were: engagement with opinion leaders, traditional and social media advertisements, tastings, trade fair appearances, and information stands. As such, for the programmes covered, the case study confirms wide-ranging activities along these lines to promote awareness of the quality labels concerned.

The case study sample also included three case studies targeting third-country markets. In these cases, some programmes also incorporated the objective to promote awareness of the EU quality schemes as one of their objectives.

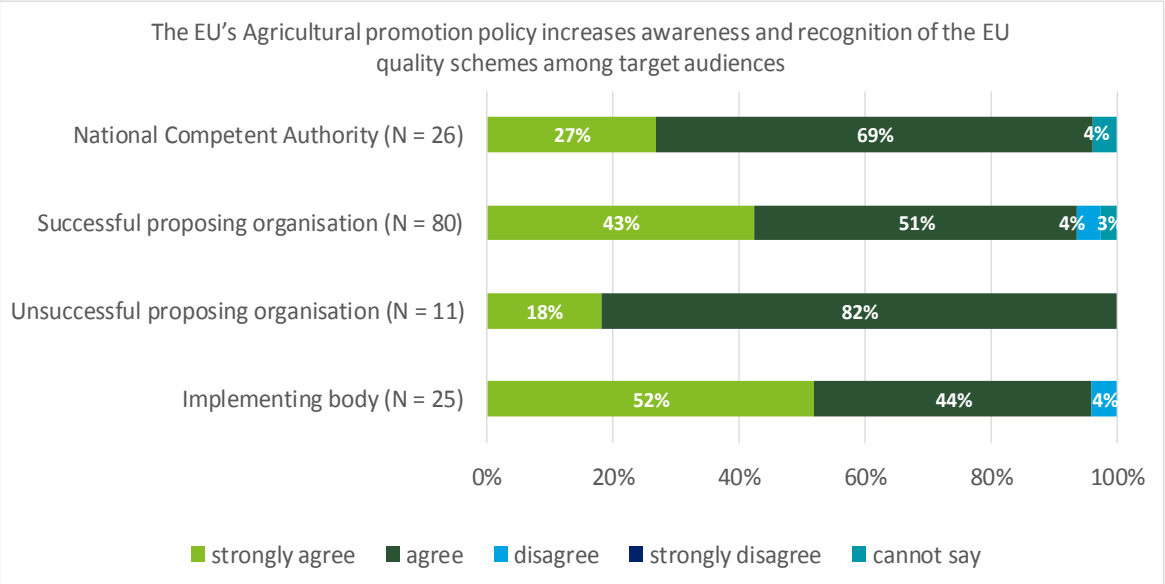
Extent to which programmes contribute to awareness raising and recognition of EU quality schemes

The evidence from stakeholders shows confidence that the policy (and programmes it supports) are indeed contributing to influencing the awareness and recognition of quality schemes.

Figure 14 shows an overwhelmingly positive assessment of the effect of the promotion activities on increasing the awareness and recognition of EU quality schemes in the view of National Competent Authorities, proposing organisations, and implementing bodies. Implementing bodies were the most positive (51% strongly agreed), followed by the successful proposing organisations (43%). Only a very small share of respondents disagreed[138].

[138] This corresponds to four organisations in total that do not have any common characteristics i.e. geographical or product sector.

Figure 14: Effect on increasing awareness and recognition of EU quality schemes



Source: Online survey of NCA, Online survey of proposing organisations and IB

The in-depth interviews at EU level only provided evidence of the potential of the programmes targeting the internal and third country markets with awareness-raising activity around quality schemes, rather than evidence of this in practice. With regards to targeting third countries, the rationale is that quality is the EU's competitive advantage and the labels should be a selling-point abroad. The analysis below distinguishes between these two target markets.

Internal market

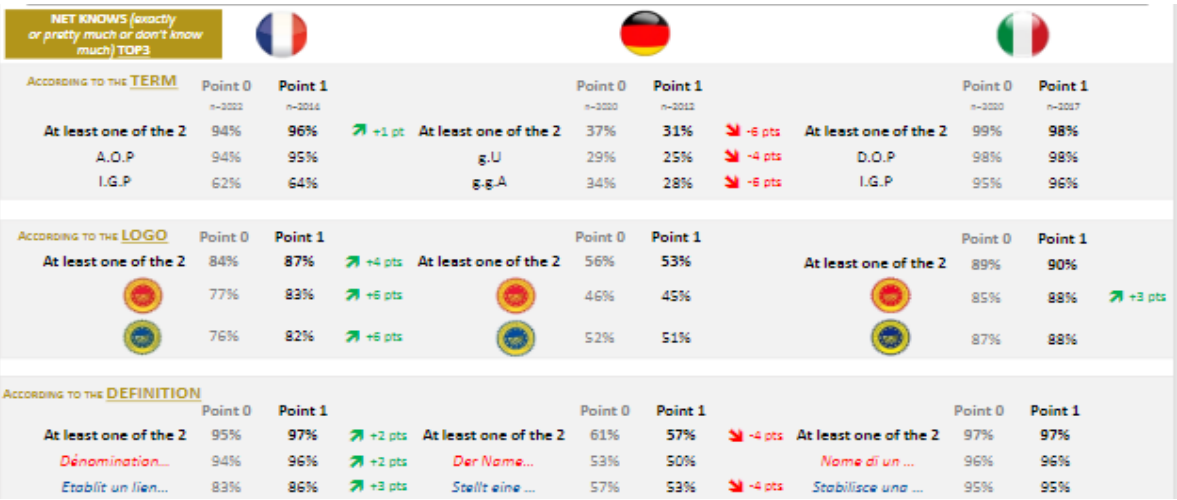
The case study on EU quality schemes covered schemes targeting the internal market (see Table 15) reported that stakeholders perceive that the programmes have had a substantial impact in influencing awareness. Despite this, the level of awareness may still be limited because of a low baseline level of awareness as reported by the EB survey from December 2017, which confirmed awareness of the labels is still limited to a minority in the EU (i.e. less than 20%).

Also, EU quality-scheme awareness levels were reported to be very varied across the EU markets targeted by the programmes. The case study covered target markets spanning six EU countries (France, Italy, Germany, Austria, Spain, the Netherlands and Sweden). Stakeholders confirmed their view that in markets where there was a low level of awareness to begin with, it was more challenging to promote awareness, and this was linked to lower success. However, there did not appear to be much evidence to confirm raised awareness. One example of data collection on the awareness of two EU quality schemes (PDO and PGI) for a multi-programme was identified (Box 4).

Box 4: Example - awareness of PDO - PGI promotion quality schemes through a Multi programme

The report on activities for year 1 of PDO - PGI promotion Multi Programme provides information on the recognition levels of PDO and PGI quality labels in France, Germany and Italy.[139] It found that overall the awareness of the labels was increasing in France and was stable in Italy. On the other hand, in Germany, where the labels are less well-known at the starting point, the awareness of quality labels was decreasing:

Figure 15: PDO and PGI labels awareness after 21 months



NET KNOWS (exactly or pretty much or don't know much) TOP3											
According to the TERM	Point 0 n-2022	Point 1 n-2014			Point 0 n-2020	Point 1 n-2012			Point 0 n-2020	Point 1 n-2017	
At least one of the 2	94%	96%	+1 pt	At least one of the 2	37%	31%	-6 pts	At least one of the 2	99%	98%	
A.O.P	94%	95%		g.U	29%	25%	-4 pts	D.O.P	98%	98%	
I.G.P	62%	64%		g.g.A	34%	28%	-6 pts	I.G.P	95%	96%	
According to the LOGO	Point 0	Point 1			Point 0	Point 1			Point 0	Point 1	
At least one of the 2	84%	87%	+4 pts	At least one of the 2	56%	53%		At least one of the 2	89%	90%	
	77%	83%	+6 pts		46%	45%			85%	88%	+3 pts
	76%	82%	+6 pts		52%	51%			87%	88%	
According to the DEFINITION	Point 0	Point 1			Point 0	Point 1			Point 0	Point 1	
At least one of the 2	95%	97%	+2 pts	At least one of the 2	61%	57%	-4 pts	At least one of the 2	97%	97%	
Dénomination...	94%	96%	+2 pts	Der Name...	53%	50%		Nome di un ...	96%	96%	
Etablit un lien...	83%	86%	+3 pts	Stellt eine ...	57%	53%	-4 pts	Stabilisce una ...	95%	95%	

Source: Interim Report on activities for year 1 of the 2017 PDO PGI promotion Multi Programme

Overall, the level of awareness from the programmes investigated in the EU quality scheme case study covering the internal market was mixed, but there were some stand-out successes. For example, when it comes to efforts to build awareness of quality schemes through online marketing activity, the quality label 'Taste the Alps' exceeded its social media targets (in the case of Facebook interactions, the target was outstripped five-fold: 25 078 606 Facebook interactions, compared to 4 157 250 expected). It is not possible to make a direct link between the number of impressions generated and better understanding of the schemes and their meaning and ultimately sales. Indeed, UK Professor of value chain management, Andrew Fearne, has conducted research which shows the dichotomy between what consumers want to do, what they think they should do and what they actually do[140]. Consumers' good intentions to for example, buy ethical, fair trade or organic food are not always borne out in practice.

Third country target market

The case studies which targeted third countries focused on different markets and product types (alcohol in the USA; diary in China and fruits and vegetables in UAE) and provided further insights into the specific challenges or success factors, which relate to the context of the market and product in question.

[139] It used an online questionnaire distributed via a consumer panel to c. 2,000 respondents in each MS to measure the changes in awareness of labels between before the launch of the promotional campaign of the PDO and PGI labels and December 2018 – after 21 months of implementing the campaign.

[140] See here for example his inaugural lecture at the University of East Anglia.

The programmes covered by the case study on the promotion of wine, beer, spirits and vinegar in the USA all included the objective to promote awareness of GI quality labels. Stakeholders interviewed for this case study confirmed the increased visibility and/or awareness of the EU quality schemes through their activities. The external evaluation of the Genever Traditions programme found that '92% of articles placed in the print or online press mentioned Genever's EU Origin/Protected Geographical Location [sic], while 35% of visitors to the Genever stand at trade fairs in the first year and 44% of bartenders who attended one of the promotional events mentioned Genever's origins'. This confirms the perceived and actual value of these quality schemes as marketing tools in the US, particularly when the origin and quality of a product is an intrinsic part of the product (i.e. as is the case for Genever).

Stakeholders reported challenges too. In some cases, ensuring that EU quality schemes were mentioned in press coverage was not easy, US journalists did not necessarily perceive this as interesting enough to include in articles. The same case study included an interview with the evaluation company, which assessed awareness of the PGI and PDO logos in the second year of the programme. The external evaluators confirmed emerging evidence of increased awareness and understanding of the logos, particularly amongst trade representatives (importers, distributors etc.) but also for consumers, as a guarantee of quality and authenticity[141].

Stakeholders working in the UAE to promote PDO and PGI quality schemes of a few varieties of apples admitted limited success. It was suggested that in this case, EU quality schemes are not perceived as a relevant selling point. The perceived indifference of consumers to the specific values promoted by the schemes was the barrier.

With regard to the promotion of European dairy products in China, quality schemes were seen to have some traction. But the broader challenge for stakeholders was the cultural shift needed to encourage Chinese consumers to introduce dairy products into their diet given these are not typically found in Chinese cuisine. This led stakeholders to consider that there is a need for targeted ad hoc campaigns, which focus on quality schemes as an important way to shift attitudes about EU products.

SUMMARY

It is difficult to assess the effects of the promotion of EU quality schemes on consumer perceptions, given the lack of data and the relative expense of running large-scale data collection exercises. The Special Eurobarometer study of December 2017 provides a useful benchmark for perception change on EU labels. If the survey were to be re-run in the future using the same methodology this would allow measurement of changing perceptions.

The Eurobarometer survey highlights the relative importance of EU quality labels on purchase decisions but only a minority of EU consumers are aware of the schemes (based on the latest data). The extent to which awareness translates into sales poses another challenge. The evidence confirms that in the period 2016-2018 EU funding was allocated to both simple and multi programmes that supported the promotion of EU quality labels. Based on the available evidence, it appears that the proportion of budgets allocated to support the promotion of EU quality schemes was around 20%.

Examples from the case studies confirm that EU quality schemes are promoted.

[141] A difficulty with this data is that it was only foreseen as a single data collection exercise meaning an absence of a baseline or point of comparison over time.

Although it is not possible to confirm the overall distribution across different types of schemes based on the case study sample, it is likely that PDO and PGI schemes are the most widely promoted – in line with their higher volume. Based on the evidence observed in the case studies, the approach is generally to use multipliers to reach the ultimate target audience (consumers), which can be considered as pragmatic approach given the large number of intended message recipients

Stakeholders were confident that the programmes supported were contributing to increasing awareness and specific examples were found to corroborate this from the case studies. The case studies confirmed that differences in baseline awareness of quality schemes can have an effect on success (with lower baseline awareness of these schemes making it harder for programmes to successful increase awareness). The case studies covering third country markets showed the promotion of quality labels did have some traction (in the case of the US market for wines and spirits) but also challenges, such as perceived consumer indifference to the labels (in the UAE).

4.2.5. Specific objective 4: Increasing market share

Sub-question 1.4 To what extent were the measures of the promotion policy effective in **influencing the market share** of EU agricultural products and certain food products, **specifically focusing on those markets in third countries that have the highest growth potential** *(specific objective 4-Art. 2.2.d)*?

COVERAGE OF SUB-QUESTION

To answer this sub-question, the following judgement criteria were used:

- The extent to which evidence confirm changes on market share focusing on those markets in third countries that have the highest growth potential;
- The extent that evidence confirms contribution of specific programmes / initiatives to changes in market share of relevant products in selected third countries.

This sub-question is directly linked to the promotion policy's specific objective 4 to increase the market share of EU agricultural products. Market share relates to the cumulative impact of the programmes and is very important politically and economically on the EU level, although individual proposing organisations might focus on other aspects of effects of their programmes, such as sales volumes. The assessment of specific objective 4 draws on case study evidence and stakeholder perceptions of the promotion policy's contribution to increases in the percentage share of promoted EU agricultural products within agricultural product markets.

Specific objective 4 also specifies that efforts to increase the EU's market share should be focused on 'those markets in third countries that have the highest growth potential'. This is because market share is a particularly relevant metric in fast growing markets, as it is likely to be easier to grow sales in fast expanding markets.

In addition to market share, this section also assesses the extent that promotion policy supports EU producers' capacity to penetrate/enter new markets.

The evidence provided in this section is based on:

- Stakeholder perceptions collected through the online survey and in-depth interviews of the (potential) contribution of the EU promotion policy overall to changes in the market share of EU agricultural producers in third country markets. Once again, stakeholders consulted often felt that they were unable

to comment on the effects/contribution of the policy or programmes due to the many external factors influencing changes in market share and the fact that the programmes have not been brought to a close.

- Evidence presented in the case studies on the extent to which the selected programmes have contributed to (or show positive signs of a potential contribution in the future) an increase in market share of EU agricultural producers in the markets targeted by those programmes also provided evidence for this section. The review of market share data has been limited to the third country case studies, as these are focussed on a specific product type in combination with a specific target market (i.e. the US, China and the UAE). Although data on sales and exports are generally available, data on the market share of specific EU agricultural products in the case study target markets are difficult to access as these are generally produced and sold by market research companies. As a result, limited information on market share has been included in the case study reports, as well as in this section of this report. Instead the answer to this sub-question will rely mostly on stakeholder perception of increased market share. More generally the timing of this evaluation meant that limited evidence was available/reported by proposing organisations on the effects of the programmes funded, in particular in terms of changes in market share which are long-term objectives of the EU promotion policy and its programmes.

BACKGROUND

In line with this specific objective, under the reformed policy, priority is given to programmes targeting third countries to take advantage of their growth potential. As described below, both the number of programmes and the budget of programmes targeting third countries increased in this programming period (2016-2018), when compared to before the reformed policy was put in place.

In terms of the number of programmes, only a third of the submitted proposals covered third countries under the 2008 Regulation, while in the period 2016-2018 56% of the simple and multi programmes target third country markets. In the period 2016-2018, the proportion of programmes targeting third countries was higher among simple programmes compared to multi programmes (63% in simple versus 35% in multi). When compared by year, the number of programmes targeting third countries was its highest in 2018 (43 programmes), and lowest in 2017 (32 programmes).

Table 16: Number of funded programmes by type of measures and market targeted between 2016-2018 (excluding abandoned programmes)

	2016		2017		2018		TOTAL	
	EU	Non-EU	EU	Non-EU	EU	Non-EU	EU	Non-EU
Simple programmes	23	35	21	31	16	38	60	104
Multi programmes	3	3	9	1	15	5	27	9
Total amount	**26**	**38**	**30**	**32**	**31**	**43**	**87**	**113**

Source: Own elaboration of data on simple and multi programmes provided by DG AGRI in August 2019.

When considering the proportion of the budget allocated to programmes targeted EU and third country markets between 2016-2018 (see **T**able 17), 53% of the budget was allocated to programmes targeting third country markets.

Table 17 shows that in 2016 most of the budget was allocated to third country markets (even though fewer programmes were funded than in 2018). The trend was reversed in 2017, with only 41% of the budget targeting the third country markets. 2018 was the most balanced year in this respect with 53% of the budgets of approved simple and multi programmes targeting third country markets, where – as noted above – the promotion measures were considered slightly more effective.

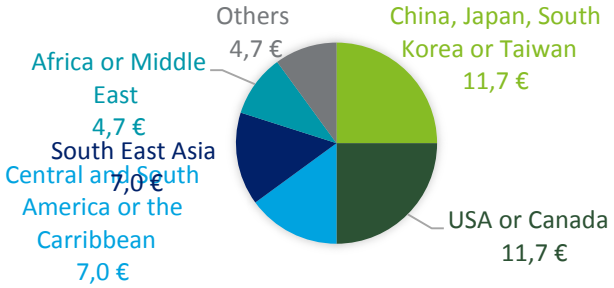
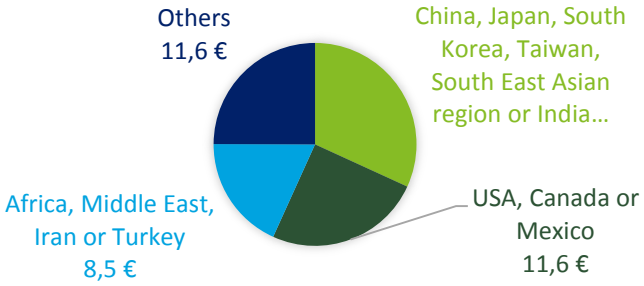
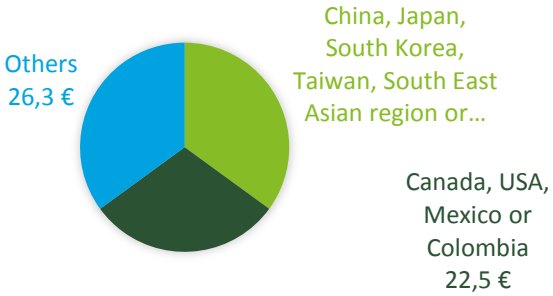
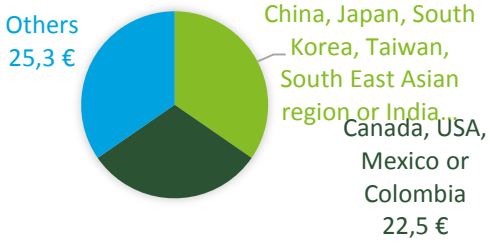
Table 17: Max grant amount for approved SPs and MPs targeting internal market and third countries markets in 2016, 2017 and 2018 (excluding abandoned programmes)

	2016			2017			2018		
	€	%	N.	€	%	N.	€	%	N.
Internal Market	31 510 762	29%	26	79 810 078	59%	30	78 689 002	47%	31
Third countries	75 392 026	71%	38	54 523 528	41%	32	87 347 060	53%	43
Total grants approved	106 902 788	100%	64	134 333 606	100%	62	166 036 062	100%	74

Source: Own elaboration of data on simple and multi programmes provided by DG AGRI in August 2019. Data for 2019 not available.

When looking at the third countries targeted, China, Japan, South Korea, Taiwan together with the rest of the South East Asia region and India, Colombia and North American markets have earmarked over 50% of the funds in each annual budget from 2016 to 2019.

Table 18: Geographic priorities in AWPs and their earmarked budget (2016-2019)

Areas/ Countries	€ million allocated
2016	
	
2017	
	
2018	
	
2019	
	

Source: Annual Work Programmes for 2016 -2019

PRESENTATION AND ANALYSIS OF EVIDENCE

Extent to which the programmes funded within the policy aim to achieve specific objective 4

It can be difficult to identify EU market share or to link this to a programme in mature markets, however, in emerging markets where EU products are trying to establish themselves as a new product type, establishing a traceable market presence this objective is more apparent.

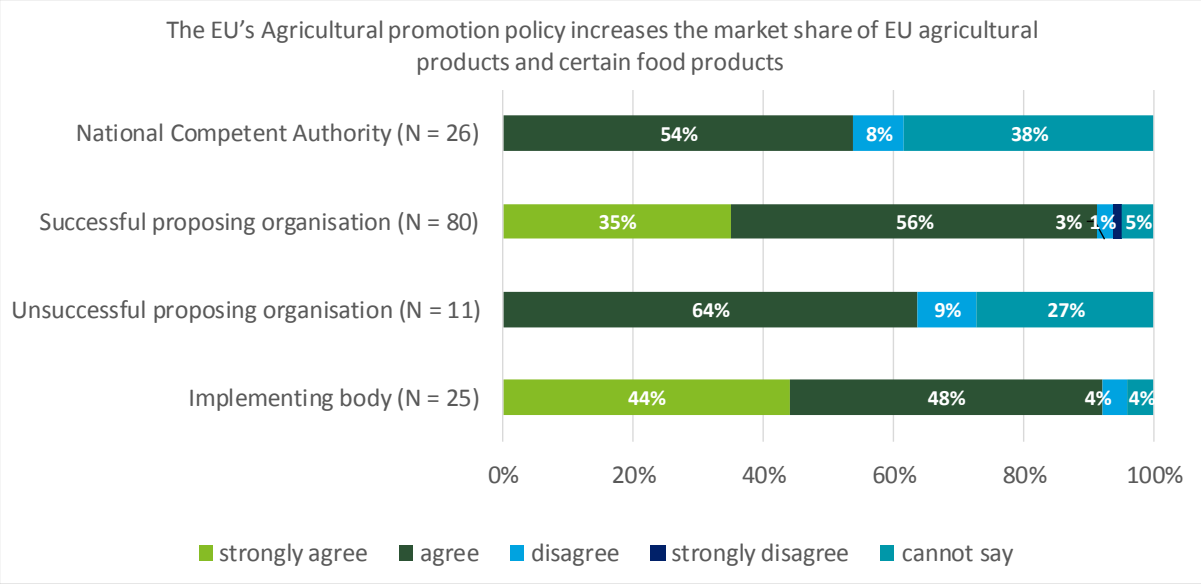
General perceptions of stakeholders on policy's effects on increased market share

Overall, stakeholders consulted believe that the EU's agricultural promotion policy has been effective in contributing to increasing the market share of EU agricultural products.

The survey showed that the majority of national competent authorities (NCA), proposing organisations (proposing organisations) and implementing bodies (IBs) agree that the policy has increased the market share of EU agricultural products so far (see Figure 16 below). However, in comparison with the other specific objectives, the level of agreement on the effects of the policy on this specific objective appear to be the lowest. Only half of the NCAs that participated in the survey agreed with this statement whilst 38% could not provide an answer. The share of respondents of successful proposing organisations that 'strongly agreed' was 'only' 35% (compared to 54% for SO 1 or 43% for SO 3).

Despite the weaker level of agreement, the positive views of stakeholders on the effect of the policy on market share is confirmed by the fact that the share of respondents who agreed is still substantially larger than the share of respondents who disagreed or who could not answer the question.

Figure 16: Effect on market share of products



Source: Online survey of NCA, Online survey of proposing organisations and IB

EU-wide agricultural producer organisations interviewed highlighted that DG AGRI has made a great effort to enable EU producers to bring their products to new markets, including markets that were considered difficult to access. They considered that the promotion policy was particularly important for EU producers to enter new markets or increase their market share, as well as to maintain already existing market share in a given market.

The case study programmes targeting third countries often included the objective to increase their market share or to enter into new third country markets, and some already showed some promising progress towards achieving this objective:

- **Wine, beer and vinegar in the US:** The case study on wine, beer and vinegar in the US included one multi programme with the explicit objective to improve the market share of European Quality wines, and one simple programme aiming to increase the market share of European beers on the US market. However, so far no evidence has been reported on changes in the market share of the EU28 in the US market. Interviewees explained that the total annual output of one brewery or vineyard in terms of volume of wine/beer would be insignificant in the US market (one brewery was estimated at less than half a percent of total output). Therefore, although it is possible to track increases in the number of bottles being sold – and indeed all proposing organisation-coordinators reported increases in sales for those producers who were selling products on the US market – it was not possible to track this in terms of increasing market share in the different product groups as this would require additional evidence, including on the size of the market.
- **Dairy in China:** the case study on dairy products and cheese in China included four programmes with the explicit objective to improve the market share of the product promoted, or to contribute to the creation of new market opportunities. Some EU dairy products have seen an increase in their market share in China, although this varied by product: for example, the EU market share in Skimmed Milk Powder (SMP) increased to 30%, while for cheese this has remained stable reaching 16.6% of the market in 2018 (after New

Zealand and Australia).[142] One proposing organisation from Latvia highlighted that the programme had allowed it to enter the Chinese market, as it was not exporting to Chine before the programme was funded.

- **Fruit and Vegetables in the UAE**: The third country market case study on fruit and vegetables in the UAE included four programmes, which all explicitly had the objective of increasing the market share and entering new markets. For example, one programme aimed to open a new market for EU organic fruit juices. However, so far, no evidence had been reported on changes in the market share of the EU28 in the UAE with regards to juices. Stakeholders reported having established some first contacts in the UAE with market professionals. However, these contacts have not yet produced tangible results or led to relevant commercial deals. But stakeholders noted that a European presence in the UAE is already a result in itself and that the first steps towards laying the foundations for the increase of the EU market share in the UAE have taken place, with meaningful business contacts and expressions of interest for future deals already from the first year of implementation. The ways in which these will materialise remain to be seen and are also contingent on successful programme implementation during the remaining period.

The case study programmes targeting the EU internal market were less often aimed at increasing the market share of the product promoted or to enter new markets:

- **EU quality schemes in the EU internal market**: Only one of the programmes reviewed as part of this case study had the objective of entering new markets (4EU). The proposing organisations interviewed highlighted how the funding had enabled them to enter new markets by building a new consumer base in the Netherlands and Spain, which would not have been possible in the absence of the funding.
- **Meat in the EU internal market:** Out of the five case study programmes, none of the programmes included the specific objective to increase their market share in the EU and, therefore, no information was reported in relation to market share. According to stakeholders consulted, increasing the market share of some Spanish pig products in countries like Germany and the UK is difficult due to the large number of competing products.
- **Fruit and Vegetables in the EU:** This case study included one programme with the objective to increase the import of pears in Germany (2016 multi programme CONFDE[143]), and another programme aimed at maintaining their market position (Mushroom Comp). The CONFDE evaluation reports an increase of German imports of pears produced in Europe in general, and pears from Belgium and the Netherlands more specifically, although as mentioned before it is not possible to link this increase directly to the programme.

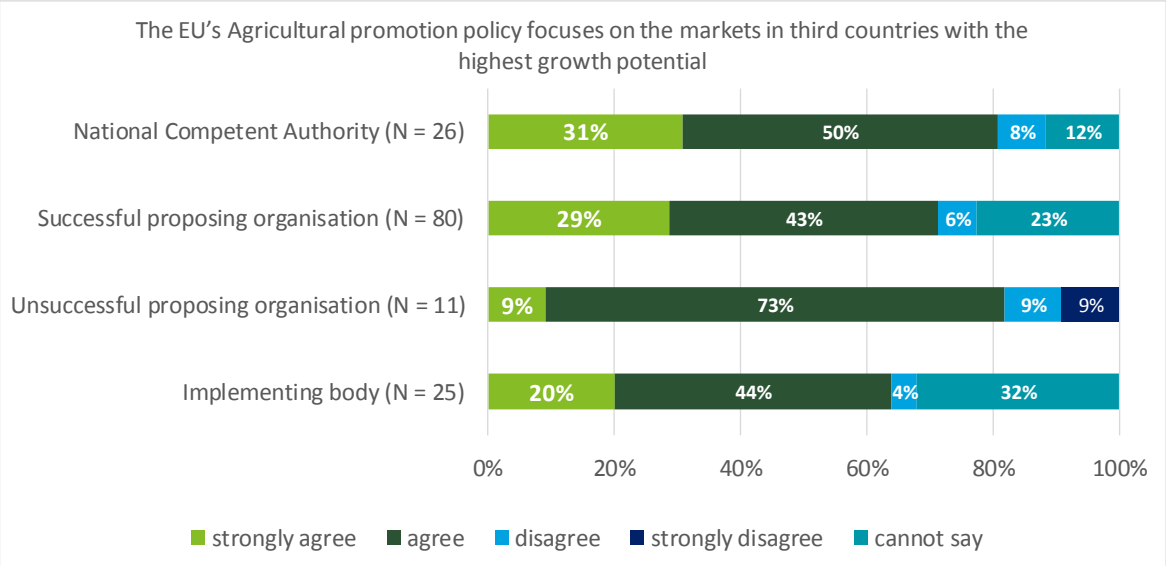
Effectiveness towards objective to focus on markets with highest growth potential

The second part of specific objective 4, confirms that the promotion policy should 'specifically focus on markets in third countries that have the highest growth potential'. The feedback gathered through the online survey shows that proposing

[142] MilkUA, 'China's dairy imports grow: the EU gains market share', 31 January 2019. Available here.
[143] The objective of the programme was to increase German imports of pears from the Netherlands and other EU Member States by 10% from 2015 to 2019 and from Belgium by 20% in the same timeframe.

organisations, IBs and NCAs are all strongly aligned in their views that the EU agricultural promotion policy has achieved this over the period 2016-2019.

Figure 17: Focus on markets in third countries with highest growth potential



Source: Online survey of NCA, Online survey of proposing organisations and IB

Representatives from DG GROW and DG TRADE also agreed that the third countries targeted by the promotion policy so far are those with the highest growth potential. In this regard, DG TRADE pointed out the importance of incorporating political considerations in the selection process of the target countries (e.g. agreements with the USA were blocked due to changes in the political context).

The case studies also confirmed that third country markets targeted by the selected programmes were markets with a high growth potential:

- **Wine and Beer/US:** There was consensus among interviewees that the USA had been the right choice as a market with high growth potential for alcoholic products (beer, wine and spirits). This is because, although the market is rather mature and competitive, it is still very dynamic and there is significant growth potential. Furthermore, for lesser known products or specific varieties, there is potential to target particular cities and focus on specific 'types' of consumers. More generally, the USA is a mature and well-developed export market for alcoholic products from Europe, and one which has grown in terms of its value over the evaluation period. It is the largest export market for wine from the EU, as well as the largest consumer of European spirits outside of the EU.
- **Dairy/China:** Stakeholders confirmed that the Chinese dairy market is expanding rapidly. Where dairy products such as cheese, butter and milk powder were once alien commodities for the average Chinese citizen, the consumption of dairy has increased steadily over the years. This trend is expected to continue: The Agricultural Outlook Report for 2030 established Asia and China as growing markets for European dairy exports[144].

[144] EU Agricultural outlook 2019 – 2030, 'Societal demands driving food market developments combining affordability, sustainability and convenience', 10 December 2019. Available here.

- **Fruit and Vegetables/UAE**: Stakeholders interviewed agreed that the policy focused on the markets with the highest potential, the UAE is an example of a challenging market to break into, but with potential for growth as the economy and food sector in the UAE have rapidly grown in the last decades. Agriculture represents a small share of the UAE's economy as only 6.5% of land is suitable for farming and it is difficult to produce viable crops due to weather and soil conditions, resulting in the UAE being a major net food importer. Moreover, the UAE has a high per capita income and consumers in the UAE are high spenders. Food is the largest segment of consumer expenditure in the region and has been growing at a rate of 12% per year. Being very cosmopolitan, there is also an increased demand for 'world' food.

SUMMARY

A high-level assessment of the objectives of the case study programmes suggests that circa half of programmes aim to increase the market share of the product they are promoting in the target market.

In summary, stakeholders agree the promotion policy has had an effect on influencing the market share of the EU agricultural products in particular by providing support to help EU producers to enter certain new markets. This is particularly effective in the case of third country markets.

Reports on programme level results confirm that, at this point, there is limited concrete evidence to support this perception.

However, in the majority of the markets targeted by the case study programmes, positive trends can be seen for the products promoted (in terms of increased exports or sales in the target market). Although it is impossible to attribute these trends to the programmes funded, stakeholders suggest that the programmes are making a positive contribution towards these results.

In addition, case study evidence supports the conclusion that the promotion policy met its goal of targeting markets in third countries that have high growth potential.

As mentioned before, there are inherent difficulties in establishing the link between initiatives and positive trends in targeted markets, especially developed (as opposed to emerging) ones, and furthermore in attribution any changes in market share to the EU promotion policy in particular.

4.2.6. The EU promotion policy's general objective

Sub-question 1.5: To what extent were the measures of the promotion policy effective in enhancing the competitiveness of EU agricultural products (Art 2.1)?

COVERAGE OF SUB-QUESTION

To answer this sub-question on the extent to which the measures were effective in enhancing the competitiveness of the EU agricultural products, the following judgement criteria were used: [145]

[145] Two other judgement criteria were foreseen here but have already been covered elsewhere and are not included again: Extent to which promotion activities (that focus on merits / standards) reach their

- Extent to which promotion activities are considered to have made progress towards achieving their objectives at this stage and therefore have contributed to enhancing the overall competitiveness of the EU agricultural sector (i.e. the policy's general objective)[146];
- Progress against specific objectives.

The answer to this sub-question (on the policy's general objective) relies on the answers to the effectiveness of each individual specific objective. Therefore, this section brings the evidence together and provides a summary of the previous sub-questions and the overall assessment on the achievement of the general objective. This section will first assess whether differences existed in stakeholder perceptions on the effectiveness across the 4 specific objectives. The section will then assess whether the findings on effectiveness are different depending on the product type promoted/product sector, the market targeted (i.e. EU internal market vs third country markets), as well as the type of activity funded through the programmes.

PRESENTATION AND ANALYSIS OF EVIDENCE

The policy's effectiveness in reaching the target audience

Reaching the target audiences is a prerequisite for the achievement of the policy's general and specific objectives. The survey responses showed that the majority of stakeholders agreed the target audiences of the promotion programmes (whether EU audiences or third country audiences) were reached through the EU agricultural promotion policy.

Differences in perceptions on the policy's effectiveness across the specific objective

A comparative analysis of the online survey responses across the different specific objectives provide useful insights into whether stakeholders believe the policy has contributed more effectively to certain specific objectives.

As highlighted in Figure 18, the survey shows that the proposing organisations and IBs are mostly positive about the effects of the EU agricultural promotion policy. The top three rated aspects of the policy's effects relate to the promotion's policy general objective, as well as the specific objectives 1 and 3:

- The increased awareness of the **merits of EU products and the high standards applicable**[147] (51% strongly agreed);
- The policy's effects in increasing awareness and recognition of **EU quality schemes**[148] (42% agreed strongly);
- Contribution to enhancing the overall **competitiveness** of the EU agricultural sector (42% agreed strongly).

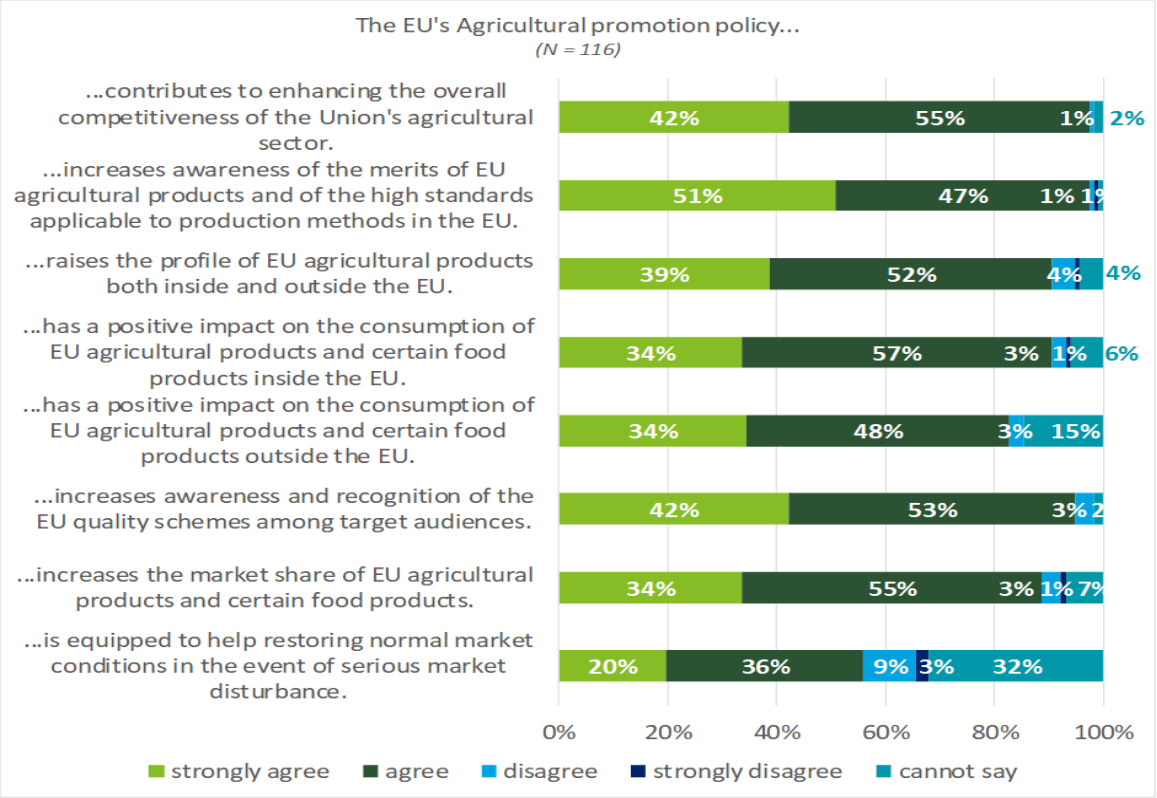
target audiences - *this criteria has already been assessed under sub-question 1.1*; and evolution of EU trade competitiveness for selected agri-food products/groups of products in a selection of geographical areas - *this criteria has already been assessed under sub-question 1.2.*

[146] This judgement criterion was slightly rephrased to make the link clearer between the promotion measures funded and the policy's general objective.

[147] This corresponds to specific objective 1 of the policy.

[148] Effects relating to increasing awareness of EU quality schemes relate to specific objective 3.

Figure 18: Level of agreement of proposing organisations and IBs with statements relating to possible effects of the EU's Agricultural promotion policy (2016-2019)

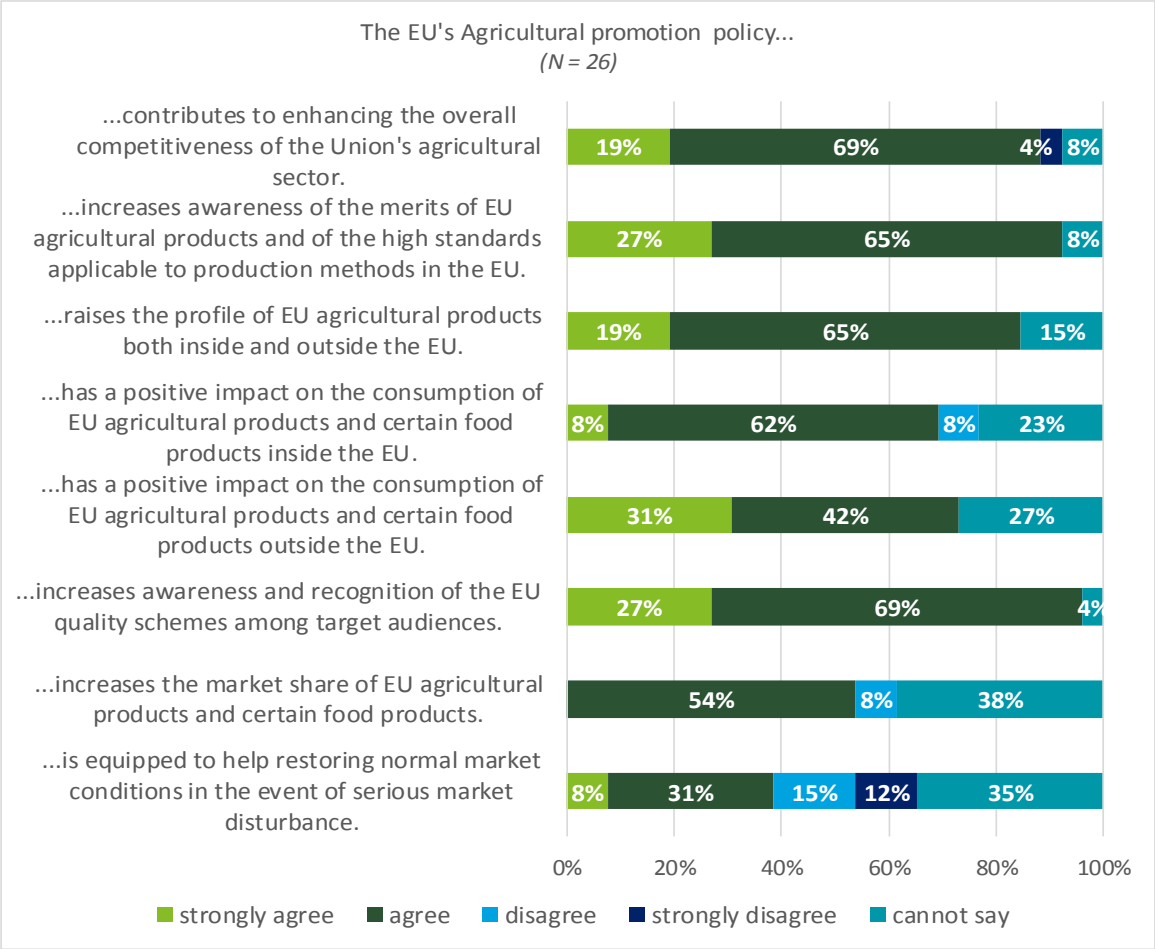


Source: Online survey of NCA, Online survey of proposing organisations and IB

The next figure suggests that NCAs are more measured in their assessments of the promotional policy. However, similar to the proposing organisations and IBs, the NCAs were most positive about the promotion's policy effectiveness in achieving the policy's general objective, as well as its specific objective 1 and 3:

- Increasing awareness of **EU quality schemes** as the area of greatest effectiveness (27% strongly agreed and 69% agreed); followed by
- Increasing awareness of the **merits of EU products and high standards** of EU production methods (27% agreed strongly and 65% agreed); and
- Contributing to enhancing the **overall competitiveness** of EU agriculture (19% agreed strongly and 69% agreed).

Figure 19: Level of agreement of National Competent Authorities with statements relating to possible effects of the EU's Agricultural promotion policy (2016-2019)



Source: Online survey of NCA, Online survey of proposing organisations and IB

Although still generally positive, both the NCA and the proposing organisation survey showed slightly less confident views on the policy's effectiveness in achieving specific objective 2 and 4 relating to increases in consumption and market share:

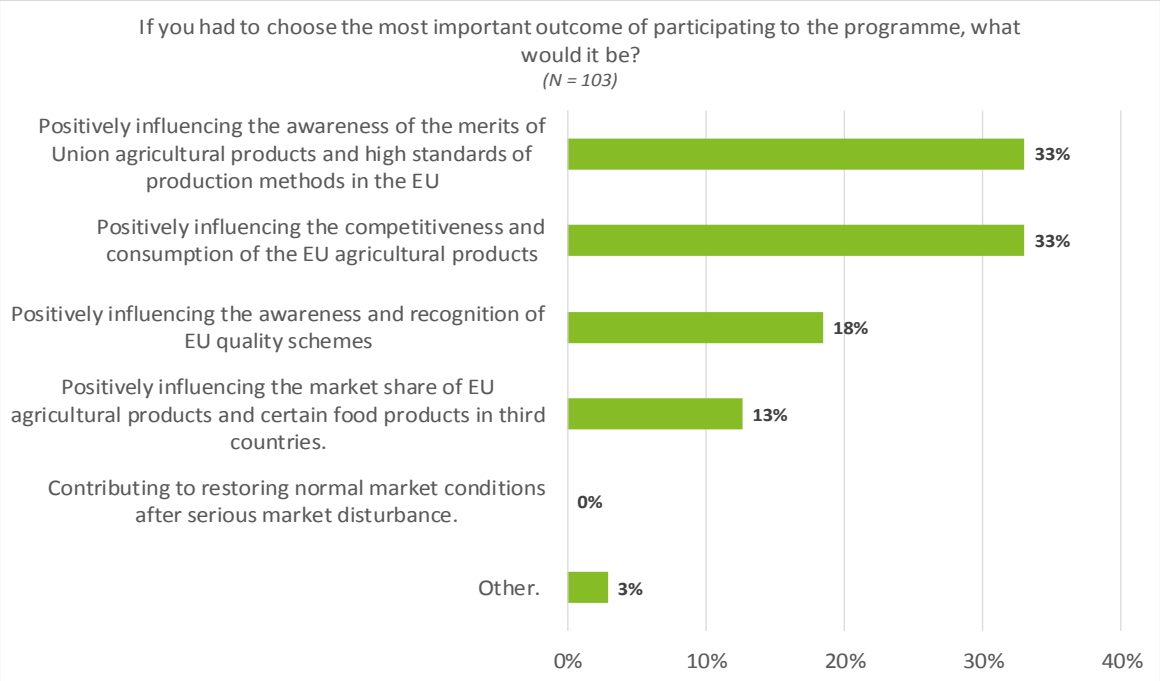
- 15% of the proposing organisations and IBs and 27% of the NCA felt unable to say if the policy had a positive **impact on the consumption of EU agricultural products <u>outside</u> the EU** (and 3% of proposing organisations disagreed). In addition, 23% of NCA (and 6% of proposing organisations and IBs) also felt unable to say if the policy had a **positive impact on the consumption of EU agricultural products <u>inside</u> the EU** (and 4% of proposing organisations and 8% of NCA disagreed with this statement).
- Over a third of NCA (38%) and 7% of proposing organisation and IB felt unable to comment on whether or not promotion policy had effects in **increasing the market share** of EU agricultural products (and 8% of NCA and 4% of proposing organisation and IBs disagreed with this statement).

Relevant desk research conducted as part of case studies showed increased sales and exports of a number of EU agricultural product types that were promoted by the relevant programmes, although the extent varied by specific product and target market (e.g. increased exports of certain dairy products in China and increases in

sales of cured meats in Spain). However, the extent to which the promotion programmes contributed to these results is not possible to assess, given the large number of other factors affecting the market. In addition, several EU producers interviewed reported that the promotion policy had allowed them to enter into new third country markets which were highly competitive.

All successful proposing organisations and IB were asked to name the one most important outcome of their participation in the programme (i.e. only selecting one option). As shown in Figure 20, the responses to this question vary. One third of the respondents assess the positive effect on awareness of the merits of Union agricultural products and high standards of production methods in the EU (specific objective 1) as the most important outcome whilst another third sees the positive effect on competitiveness and consumption of EU agricultural products as the most important (first part of specific objective 2).

Figure 20: Most important outcomes of the programmes according to successful proposing organisations and implementing bodies



Source: Online survey of NCA, Online survey of proposing organisations and IB

Effectiveness of programmes by target market (EU internal market versus third country market)

At this early stage, no significant difference in effectiveness can be measures between the programmes targeting the EU internal market and those targeting third countries. However, some trends are worth noting:

In terms of the promotion policy's ability to **reach the relevant target audiences**, the online survey data show that the programmes targeting the EU internal market were considered slightly more successful by stakeholders (85% agreed with the statement that EU audiences were reached, versus 80% agreement for the reach of third country audiences). Moreover, the case studies showed that stakeholders were generally more positive about the effectiveness of raising awareness and recognition of **EU quality schemes** (specific objective 3) when targeting the internal market compared to third country markets. One multi programme reported increased levels of

awareness of EU quality labels promoted in two out of the three EU internal markets targeted after only one year of implementation.

In terms of programmes promoting the **merits of EU agricultural products and their high standards** (specific objective 1), promotion programmes in third country markets were seen as especially effective, as the quality standard of EU food production was seen as the EU's main competitive advantage.

Moreover, the **slogan 'Enjoy! It's from Europe'** was generally very well accepted in third countries, while more reservations were raised with regards to the slogan usage in the internal market.

Although the case studies did not find evidence that more promising results should be expected in terms of the programmes' effects in increasing consumption, competitiveness and market share (specific objective 2 and 4) in third country markets, when compared to the EU internal market, a number of stakeholders suggested this could be the case, as the third country markets targeted usually have a higher growth potential. Moreover, the EU, compared to some third country markets, has a slower growth of spending per capita, a static or in some places falling population and a greater focus on reducing per capita food consumption to improve health.

Effectiveness of programmes by type of activity

Finally, the following types of activities were reported to be particularly effective, namely activities that focus on direct contact with the consumer, networking activities at trade fairs and events, product promotion by influencers and using social media in promotional activities rather than journalists.

SUMMARY

Overall, the evidence available to date shows positive signs that the programmes funded are in line with the policy's objective to enhance the competitiveness of EU agricultural products and are making progress towards achieving the policy's specific objectives. However, a full assessment of the policy's effectives is premature and should be reviewed once the programmes have come to an end and the impact can be more fully assessed. The challenges in attributing effects of the programmes on the competitiveness of the Union agricultural sector related to the complex environment and many important external factors will be nevertheless an issue even in long-term assessment.

4.3. Contribution of policy design to effectiveness (EQ2)

4.3.1. Introduction

Evaluation Question 2: To what extent has the design of the promotion policy contributed to its effectiveness?

COVERAGE OF QUESTION

The question to be answered – to what extent has the design of the promotion policy contributed to its effectiveness - is divided in six sub-questions (see below).

- Sub-question 2.1: To what extent have the **budget, co-financing rates and eligibility criteria** of the promotion policy contributed to its effectiveness?
- Sub-question 2.2 To what extent has the **widened scope** (i.e. the enlargement of the eligible proposing organisations and of the eligible products contributed to the effectiveness of the promotion policy?
- Sub-question 2.3 To what extent has the coexistence of **shared and direct management** for promotion programmes contributed to the effectiveness of the promotion policy?
- Sub-question 2.4 To what extent have the provisions concerning the **origin and brands** of the products contributed to the effectiveness of the promotion policy?
- Sub-question 2.5 To what extent is the **monitoring and evaluation system** effective?
- Sub-question 2.6 To what extent have the **Commission's own initiatives** contributed to the effectiveness of the promotion policy?

4.3.2. Contribution of budget, co-financing rates and eligibility criteria

Sub-question2.1: To what extent have the budget, co-financing rates and eligibility criteria of the promotion policy contributed to its effectiveness?

COVERAGE OF SUB-QUESTION

The effectiveness of the budget and co-financing rates relates to whether these demonstrate the capacity to generate the desired results, i.e. to attract proposals of satisfactory quality within the thematic and geographic priority areas defined under the Annual Work Programmes and to support the effective delivery of the measures foreseen under the selected programmes.

To answer this sub-question, the following two judgement criteria were used: the extent to which there are evident problems *vis-à-vis* the budget or co-financing, and whether this appears to be appropriate, in the sense explained above. This meant looking at:

- the extent of (and reasons for) over-subscription;
- the extent to which stakeholders agree that the available budget and co-financing rates are sufficient and why (not);
- the extent to which there is agreement on attractiveness / sufficiency of available budget and co-financing rates (70% / 80% / 85%) for potential applicants; and
- the extent to which there is consistency in views from applicants / non-applicants.

And, the extent to which eligibility criteria are clear and/or fair to potential proposing organisations was also investigated, by looking at:

- the number of ineligible proposals (and why) over time; and
- qualitative evidence of the nature and scale of agreement with eligibility criteria and concrete examples of issues.

Before presenting the data and its analysis, the eligibility criteria under review are recalled below.

BACKGROUND

The rules are as follows:

A proposal must meet the eligibility criteria in terms of:

- The **eligible products**[149] **and schemes.** Article 5 of Reg. 1144/2014 defines the list of eligible products and schemes as well as other conditions, which need to be fulfilled for the proposal to be considered as eligible. For example, within a simple programme, wine can only be promoted in combination with other eligible products.
- The **type of proposing organisation**[150].

Ineligible proposing organisations cannot submit a proposal, even as a member of a consortium with other eligible proposing organisations. For example, private companies cannot participate as co-applicants.

If the proposing organisation is not representative of the product or sector promoted, i.e. does not fulfil the conditions set in Article 1(1) and 1(2) of Reg. 2015/1829, then its application would be rejected at the stage of eligibility screening.[151]unless the organisation is applying as a member of a consortium, which, as a whole, is representative for the sector.

CHAFEA lists ineligibility in terms of (i) the type of proposing organisation; (ii) the proposing organisation's representativeness of the product/sector promoted; (iii) the eligibility of the products/schemes promoted, as the most common mistakes in proposals submitted.[152]

PRESENTATION AND ANALYSIS OF EVIDENCE

Concerning the level of (and reasons for) over-subscription, the amounts requested were examined and compared to the available budget. A certain level of over-subscription may be desirable as it creates competition that may contribute to driving improvement in the quality of the proposals and the corresponding programmes. Increased interest from applicants is also an indicator of the success of the EU agricultural promotion policy as it confirms the interest of stakeholders (Member

[149] A promotion Programme may cover the products listed in Annex I to the Treaty on the Functioning of the European Union (TFEU), excluding tobacco and a series of other products.

[150] Applicants must be: (i) trade or inter-trade organisations, established in a Member State or at Union level, and representative of the sector(s) concerned in that Member State or at Union level, and groups of producers and processors active in geographical indications; (ii) Producer organisations or associations of producer organisations that have been recognised by a Member State; (iii) agri-food bodies involved in a mission of public interest in charge of promotion. Only applications from entities established in EU Member States are eligible.

[151] Delegated Regulation (EU) 1829/2015.

[152] CHAFEA, 'Most common mistakes'. Available here.

States, proposing organisations, final beneficiaries) in the programmes. The question is then whether the level of over-subscription is appropriate, i.e. there is healthy competition while at the same time not discouraging applicants. The analysis of the data for simple and multi programmes shows consistent over-subscription but a downward trend in the level of over-subscription over time, i.e. the requested budget surpasses the available budget for funding of promotional activities but to a lesser extent year-on-year (the exception being the last year for multi programmes)[153]. Table 19 summarises the total amounts of requested grants vs. available budget for the simple and multi programmes for the years 2016-2019.

Table 19: Requested vs. available budget (simple and multi programmes, 2016-2019)

Year	Nr of proposals	Requested budget (€)	Available budget (€)	% of requested vs available
Simple programmes				
2016	199	310 470 913	97 000 000	320%
2017	189	306 434 124	90 000 000	358%
2018	146	215 527 021	95 000 000	227%
2019	109	165 693 403	100 000 000	174%
Multi programmes				
2016	27	116 102 232	14 300 000	812%
2017	35	132 149 762	43 000 000	307%
2018	36	110 035 312	79 100 000	139%
2019	35	129 777 114	91 600 000	150%

Source: CHAFEA, Statistics on calls for proposals, 2016-2018; CHAFEA presentation: 2019 calls for proposals for promotion of agricultural products, submission statistics, 2 July 2019

Considering this data, the reasons for the decreasing level of over-subscription for the different types of programmes can be seen:

- For multi programmes, the available budget for multi programmes increased six-fold from €14.3 million in 2016 to €91.6 million in 2019, bringing the level of over-subscription down from 810% in 2016 to 139% in 2018 and 150% in 2019, while the number of applications increased initially and has levelled off.
- For simple programmes, the number of proposals roughly halved over the period and this led to a corresponding reduction in the requested budget (from ca. €310 million in 2016 to ca. €166 million in 2016; again, roughly half). The available budget for simple programmes has remained the same throughout the period 2016-2019 with only small fluctuations meaning the level of oversubscription has reduced.

[153] The reason(s) why there was an increase in the percentage of oversubscription in 2019 for multi programmes is not known. The evaluation team brought this aspect to CHAFEA's attention, requesting their views. However, CHAFEA was unable to further explain this exception.

Moreover, an analysis of the over-subscription rates per topic for the years 2016-2018 for simple and multi programmes features the following findings[154]:

- For simple programmes targeting the internal market, programmes highlighting the specific features of agricultural methods in the Union and the characteristics of EU agri-food products (AGRI methods and products), regularly demonstrate the highest levels of over-subscription in comparison to the rest of the topics (fluctuating from 542% on 2018 to 796% in 2017). These are followed by programmes aiming at increasing the awareness and recognition of Union quality schemes which overall have the second highest over-subscription rate (ranging between 525% in 2017 to 288% in 2016). Both for AGRI products and methods and Union quality schemes, the number of applications increased from 2016 to 2017, but levelled off in 2018, reverting to 2016 levels. It should be noted that the topic 'AGRI methods and products' has regularly received the highest number of applications from 2016-2018.
- For simple programmes in third countries, programmes targeting regions such as the USA/Canada, China/Japan and the Middle east and Africa indicate consistently high levels of over-subscription, though significantly lower than those for the internal market as presented above. For USA, Canada and Mexico[155], the available budget doubled from 2016 to 2017 (from ca. €11.5 million to 22.5 million in 2017), contributing to a decrease in over-subscription for the given area. For programmes targeting China, Japan and other countries in the region, there was a gradual increase in applications combined with an increase in budget from 2016 to 2018. This translated into a fall in over-subscription rates in 2018.
- It is interesting to observe that the lowest over-subscription rate can be found for the topic 'sustainable meat production in the internal market' for multi programmes in 2018 (96.6%), where only one proposal was submitted. This has an impact on the overall over-subscription rate for multi programmes in 2018, reducing the general percentage, and could potentially be attributed to the niche nature of the topic in question. This can potentially explain why general over-subscription rates in 2019 (139%) for multi programmes slightly surpassed the ones for 2019 (150%), deviating from the consistent downward trajectory observed since 2016.

Moreover, all stakeholder categories (proposing organisations, implementing bodies, competent national authorities) viewed the budget allocated to the promotion policy and the high co-financing rates positively, stressing that the levels of funding allow for the implementation of impactful actions. Proposing organisations and implementing bodies confirmed that while implementation of the programmes demands a lot of time and effort, the level of funding is among the factors that makes this worthwhile, as they feel they can make a substantial contribution that serves both their own interests and the interests of the promotion policy. From this it can be inferred that, in general, the budget and co-financing rates are factors that encourage proposing organisations to apply for funding under the promotion policy.

However, some concerns have been expressed by certain proposing organisations, national authorities and independent evaluators in relation to the fall in oversubscription for simple programmes. It is suggested that typically the same well-funded organisations put together winning proposals by paying for support from

[154] An overview of over-subscription rates per topic for simple and multi programmes for 2016-2018 can be found in Annex B.

[155] It should be noted that the 2018 budget line also included programmes targeting Colombia.

implementing bodies (i.e. marketing and advertising agencies) continue to apply; while this option is not available to the less well-resourced who are, therefore, less likely to be successful and re-apply. The same concerns were expressed in relation to the multi programmes. From this it can be inferred that, in the view of those close to the process, competition may not be as healthy as it could be.

Feedback from the case studies and in-depth interviews indicated that while the current co-financing level (generally perceived to be relatively high) is considered appropriate to attract also small-scale organisations[156], the successful organisations are usually the better resourced (and they are often able to seek support from organisations that would help with implementation if they are successful, i.e. advertising agencies). Yet smaller organisations are likely to be weaker not only regarding financial resources but other types of resources as well, e.g. human resources or expertise in marketing and product promotion, which in turn can have a negative impact on the extent to which programme measures are implemented effectively.

More importantly, the critical question concerns the extent that current co-financing rates enable or challenge progress towards achieving the objectives of the EU promotion policy. While the issues elaborated above reflect to some extent the current situation vis-à-vis the market and the potential differences between better and less-resourced organisations, there is no evidence to confirm that the co-financing rates have negatively impacted the progress of the promotion policy towards achieving its targets. On the contrary, stakeholders from all categories spoke positively about the levels of budget and co-financing in relation to attracting proposals of satisfactory quality and ensuring the effective implementation of proposed measures.

Regarding the percentage of ineligible proposals submitted by potential proposing organisations, the data show (Table 20) that there was a decline in the percentage of ineligible proposals in the period 2016-2019 for both simple and multi programmes (except for multi programmes in 2017, where ineligibility went up temporarily[157]). This downward trend implies that organisations gradually improve their familiarisation with the new requirements and ineligible organisations cease to apply. However, the decline may also be attributable to the efforts to better inform and guide applicants, via info days, FAQ and other information published online, such as webinars and the eligibility checker, to name some examples.

[156] It should be noted that in most cases beneficiaries of the promotion policy are associations that are representative of a product at national level. However, there are also certain types of organisations that are smaller like producer organisations and groups that promote Geographical Indicators (GIs).

[157] An inquiry was made about the reason for this, but no specific reason was known.

Table 20: Percentage of ineligible proposals by programme (2016-2018)

	2016	2017	2018	2019
Simple programmes: Number of ineligible proposals	42/199	27/189	16/146	5/109
% of total	21%	14%	11%	5%
Multi programmes: Number of ineligible proposals	4/27	9/35	4/36	3/35
% of total	15%	26%	11%	9%

Source: CHAFEA, Statistics on the Calls for proposals (2016-2018)

According to CHAFEA, there are three main reasons for ineligibility, as follows:

- **Inadmissible applications**: i.e. mandatory annexes and supporting documents not submitted, or proposals are sent after the deadline;
- **Ineligible applicants**: where the applicant organisation is not eligible or not representative of the product/sector promoted, private companies acting as co-applicants, non-EU applicants;
- **Ineligible products or activities**: where products are not on list of eligible products, e.g. wine in the internal market not associated with other products, promotional activities targeting consumers for wine, beer or spirits on the internal market, activities not targeting at least one member state other than the Member State of the applicant (this is related only to simple programmes implemented on the internal market).

Given the above reasons, it can be inferred that increased familiarity with the rules and the availability of clear guidance on the eligibility rules is helping to reduce the number of ineligible applications.

Evidence from the online survey (covering both successful and unsuccessful organisations) combined with stakeholder views gathered through in-depth interviews and case studies shows that the majority of stakeholders reported having a positive impression of the fairness of the rules (e.g. more than half of all survey respondents agreed or strongly agreed on the fairness of the eligibility criteria). Even though the online survey showed that unsuccessful proposing organisations tended to have a more negative view of the fairness of the eligibility criteria, this can be expected to some extent and does not significantly affect the general picture. Overall, it can be said that most stakeholders contacted agreed that the eligibility criteria are fair.

Despite the above finding, there is additional evidence which indicates challenges in the application of the eligibility criteria in certain instances. Issues mainly stem from an insufficient understanding of the rules and how the latter should be applied in practice. Interviewees from two case studies found the understanding of the criteria challenging for potential proposing organisations, especially for new applicants (e.g. confusion over the eligible types of organisations). On the contrary, proposing organisations with prior experience reported a more positive experience and found the guidelines sufficiently clear. Furthermore, two competent national authorities, interviewed as part of the case studies, pointed to the apparent complexity of the CHAFEA website and the fact that it is not available in national languages. Overall, it seems that there is a need to provide additional support to first-time applicants on how to put together stronger proposals.

SUMMARY

In summary, at programme level, the amount of funding allocated to multi programmes was initially insufficient given the excessive rates of over-subscription (over 800%), when compared to simple programmes. However, this was adjusted so that in 2019 multi programmes has similar (lower) levels of oversubscription to simple programmes, with some oversubscription necessary given the competition for funding. Regarding the quality of proposals received, stakeholders close to the process reported their overall satisfaction. In addition, proposing organisation and implementing bodies praised the levels of co-financing and budgets. From the above it can be assumed that the current levels of budget and co-financing are appropriate to (i) sustain the interest of the applicants in the promotion policy; (ii) ensure that good-quality proposals are received and (iii) secure the effective implementation of measures. In practice, the level of success of individual organisations appears to be influenced by their size/turnover, with well-funded organisations having an advantage over smaller less well-funded organisations, due to their capacity to harness additional support. However, there is no evidence to suggest that co-financing rates are inappropriate because they had a negative influence on the EU promotion policy's ability to meet its stated targets.

The available evidence suggests that eligibility criteria are generally deemed to be fair. But there is scope to enhance communication about eligibility criteria to new applicants, as highlighted by all categories of stakeholders. At the same time, the number of ineligible proposals has decreased significantly over time and it is assumed that this reflects an increase in the level of understanding of potential applicants.

4.3.3. Contribution of widened scope

Subquestion2.2 To what extent has the widened scope (i.e. the enlargement of the eligible proposing organisations and of the eligible products) contributed to the effectiveness of the promotion policy?

COVERAGE OF SUB-QUESTION

While certain quantitative data relevant to the subject matter in question exist, this is limited to the number of new type applicants (producer organisations and EU-level organisations) that applied for funding during 2016-2019 against the total number of applicants. Regarding the types of eligible products, the calls for proposals provide information on the number of proposals and requested grants per product group. However, the new eligible products are integrated into the various categories and hence there is no way of knowing the share of new products within each category. In light of these limitations and the inability to distil a data set that would allow for meaningful quantitative analysis, the evaluation team addressed the sub - question on the basis of purely qualitative information.

Hence, the extent to which eligibility rules for organisations and products are deemed effective (for successful and unsuccessful applicants) was investigated based on:

- Qualitative evidence demonstrating the eligibility rules can be considered to contribute to the effectiveness of the policy;
- Evidence / examples of issues or problems caused by the enlarged scope of eligible proposing organisations and/or products (for example, ambiguity of rules, exclusion of relevant organisations, etc.).

BACKGROUND

Before presenting the data and analysis of the number of applications, amounts requested and awarded funding per new applicant / product type, the scope is briefly recalled. The new Regulation covers a widened scope of eligible products and proposing organisations. In terms of eligible products, the new measures cover a larger selection of agricultural products, as well as food products.

The promotion policy is now open to all agricultural products, covering not only Annex 1 products (excluding tobacco) but also a list of processed agri-food products in an Annex to the new Regulation.[158] With respect to wine, only wine with the designation of origin or protected geographical indication status or wine carrying an indication of the grape variety is eligible for promotion. Under these conditions, wine can only be promoted as part of the 'basket approach' for simple programmes. Fishery and aquaculture products are eligible if listed in Annex 1 to Regulation (EU) No 1379/2013, and if they are associated with another agricultural or food product.

Products covered by Union quality schemes and quality schemes recognised by Member States are eligible for information provision and promotion measures since such schemes provide consumers with assurances on the quality and characteristics of the product or the production process used, achieve added value for the products concerned and enhance their market opportunities. Similarly, the organic production method, as well as the logo for quality agricultural products specific to the outermost regions are eligible for information provision and promotion measures.

The new Regulation expands the scope of beneficiaries to include not just trade and inter-trade organisations but also producer organisations and associations of producer organisations that have been recognised by a Member State. EU-level organisations are also eligible to apply under the new Regulation.

PRESENTATION AND ANALYSIS OF EVIDENCE

The qualitative feedback on the scope of the eligibility rules was overall positive. No concerns were raised by those assessing the proposals; nor by those managing the process (i.e. CHAFEA and the competent national authorities). Proposing Organisations described the expanded scope as providing greater 'flexibility' and 'freedom' and thereby facilitating the effectiveness of the programmes by allowing organisations which may not have been previously eligible to be involved. Also, EU-wide agricultural producer organisations appreciated that the list of types of eligible products was enlarged. They specifically mentioned the inclusion of food-industry products, instead of only primary-agricultural products, under the previous regime.

There was no evidence / examples of issues or problems caused by the enlarged scope of eligible proposing organisations and/or products such as ambiguity of rules, exclusion of relevant organisations to date. This is confirmed by all sources of evidence, including the online survey, case studies, in-depth interviews.

SUMMARY

In summary, the widened scope (i.e. the enlargement of the eligible proposing organisations and of the eligible products) appears to have had a positive effect in terms of successfully reaching new organisations, covering new products/markets and

[158] ANNEX I Products referred to in point (b) of Article 5(1): (a) beer, (b) chocolate and derived products, (c) bread, pastry, cakes, confectionery, biscuits and other baker's wares, (d) beverages made from plant extracts, (e) pasta, (f) salt, (g) natural gums and resins, (h) mustard paste, (i) sweetcorn, (j) cotton

meeting a latent demand that had not previously been addressed by simple or multi programmes.

All available evidence confirms that there were no examples of issues or problems caused by the enlarged scope of eligible proposing organisations and/or products (including ambiguity of rules or exclusion of relevant organisations to date).

4.3.4. Contribution of shared and direct management

Subquestion2.3 To what extent has the coexistence of shared and direct management for promotion programmes contributed to the effectiveness of the promotion policy?

COVERAGE OF SUB-QUESTION

To answer this sub-question, the extent to which stakeholders involved in management find programme management arrangements effective was looked at and the extent to which there were identifiable issues or problems. This involved gathering qualitative evidence that proposing organisations, implementing bodies, national authorities and managing organisations, with shared and direct management, consider programme management arrangements are effective or could identify problems, including concrete examples, where possible.

BACKGROUND

The management of programmes and measures is as follows:

- **Simple programmes:** Member States are responsible for the implementation of simple programmes through competent national authorities ('shared management' between Member States and Commission).
- **Multi programmes:** The multi programmes are managed directly by the Commission, through the Consumers, Health, Agriculture and Food Executive Agency (hereafter 'CHAFEA'), ('direct management').[159]
- **Commission own initiatives** are decided upon and coordinated by DG AGRI (e.g. developing the specifications for the measures in terms of market targeted), but the execution of the Commission own initiatives has been delegated to CHAFEA.

The new Regulation prescribed a centralised selection of the simple- and multi programmes proposals and direct management by CHAFEA for multi programmes. The rationale for this change was to provide a level playing field among different national authorities and to facilitate the implementation of multi programmes, which offer high EU added value[160]. The new Regulation abolished the two-stage evaluation process and simplified the rules for submitting documentation, such as financial statements, technical reports and reporting on materials. The Agency's mandate was also been extended with the coordination of measures on the initiative of the Commission, including communication campaigns, participation in trade fairs and high-level missions[161].From 2021 onwards, the implementation of high-level missions will be under direct management of DG AGRI.[162]

PRESENTATION AND ANALYSIS OF EVIDENCE

Simple and multi programmes have a different management structure. Simple programmes are implemented in shared management with the Member States, in

[159] Commission Implementing Decision of 17 December 2014 amending Implementing Decision 2013/770/EU in order to transform the 'Consumers, Health and Food Executive Agency' into the 'Consumers, Health, Agriculture and Food Executive Agency'.
[160] Regulation (EU) 1144/2014, Recital 20.
[161] COM (2018) 788 final.
[162] Interview DG AGRI, 03/09/2019.

accordance with the rules established in the basic act, delegated and implementing acts, and the horizontal financial rules established in Regulation (EU) No 1306/2013 of the European Parliament and of the Council. Multi programmes are managed under direct management rules in accordance with the Financial Regulation (EU, Euratom) No 1046/2018 of the European Parliament and of the Council. Therefore, for multi programmes, it is the Financial Regulation which applies.

As the same proposing organisation could have both simple and multi programmes, the implementation rules for both programmes should differ as little as possible. To that end, simple programmes are subject to rules that are equivalent to the provisions of the Financial Regulation concerning grants which apply to multi programmes[163].

As simple programmes are managed by the competent national authorities, disparities among Member States arise in practice, which were highlighted in feedback from CHAFEA, National Authorities and Proposing Organisations. Some of these issues have also been raised during the civil dialogue group meetings[164]. The following examples of disparities were given:

- Some Member States (e.g. the Netherlands, Austria, and Italy) still apply the rules of the previous system or do not fully comply with requirements set out by the new system, which is presumed to be linked to an issue of resourcing i.e. it would require resources to bring the processes in line with the new rules. Information gathered from interviews indicates that Member States are still engaged in old practices that are not foreseen under the current Implementing Regulation such as validation of visuals for simple programmes, creating a calendar of activities for each trimester and interdicting or not approving budget transfers. Conversely, some Member States fail to fully comply with requirements of the new regime, notably in relation to checking and validating the selection procedure for implementing bodies before contract signature.
- There is also variability in Member States' interpretation of the rules, with some Member States taking a stricter interpretation than others. The online survey demonstrated that half of the competent national authorities who participated are satisfied with the current management system. However, 32% (which corresponds to seven competent national authorities with experience both in simple and multi programmes) disagree, the main reasons are (i) confusion caused for the proposing organisations by the different application of rules; (ii) differences in processes and rules that lead to unequal treatment of the proposing organisations, for instance in the application of sanctions, budgetary re-allocations or changes in budget, changes in the activities originally proposed. Competent national authorities as well as proposing organisations and implementing bodies stressed the need for a harmonized management approach for simple programmes across all Member States to ensure a level playing field as well as opportunities for knowledge sharing between them to learn from best practices.

In terms of the effectiveness of the current arrangements, in addition to the issues above, stakeholders identified further room for improvement in relation to simple and/or multi programmes, as follows:

[163] CHAFEA, 'frequently asked questions' Available here.
[164] See also the provided Guidance to the competent national authorities (DG AGRI) and PPT on differences between Management of Simple and Multi Programmes (Freshfel/CSO Italy).

- Competent national authorities reported lack of information at national level regarding the implementation of multi programmes. This can be an issue to the extent that it limits the national authorities' overview of the promotion policy as a whole, and, therefore, impacts the way they manage simple programmes or the level of support they can offer to the proposing organisations in the context of simple programmes.
- Moreover, the online survey indicates a certain level of confusion among proposing organisations regarding the actual responsibility for management of their programmes, which could also point to the need for more support in procedural matters. According to the in-depth interviews and evidence collected in the context of case studies, proposing organisations in some Member States report frustration with the lack of information regarding different processes available from competent national authorities (e.g. information on whether they are eligible to apply) for simple programmes and would like more support in these areas.
- In line with this, findings from the online survey [165] as well as the case studies and in-depth interviews suggest a higher degree of satisfaction with the management of multi programmes cf. simple programmes. In particular, the responsiveness and support on behalf of CHAFEA were especially commended upon. Looking into the reasons for this, the explanation provided by one interviewee, representing an EU-wide trade organisation, is insightful: '*CHAFEA is responsible for many programmes, has more expertise, is in more direct contact with all stakeholders. Member States, on the other hand, sometimes manage just a few programmes, and it might be challenging for them to have the expertise. They might feel in between the Commission/CHAFEA and the proposing organisations. Member States might also have different approaches, strategies to approach this policy.'* Moreover, CHAFEA has a dedicated webpage with exhaustive Q&A designed to support proposing organisations while DG AGRI is very responsive to the MS' queries.
- The higher level of satisfaction with the management of multi programmes is also reflected in some stakeholders' proposals (mainly proposing organisations and implementing bodies) to implement the direct management approach for the simple programmes as well, in order to streamline and simplify management.
- Evidence from the case studies and the in-depth interviews indicates that the lack of flexibility in the approach to the management of simple programmes represents a significant process limitation as measures cannot adapt to unforeseen situations. The measures and their budgets are defined at least three or four years in advance, with very limited room for financial or other adjustments. This approach can negatively impact the effectiveness, as well as relevance of certain measures, as important contextual changes or lessons learned from the implementation of previous activities cannot be considered. Competent national authorities attribute this lack of flexibility to their own lack of understanding of the rationale for the selection of projects under the simple programmes and how the programmes fit into broader EU policy, which results in a lack of confidence in applying the rules to exercise flexibility. They expressed a desire for more information and opportunities for exchange to improve their understanding to allow them to use more discretion in the management of simple programmes, which they recognised would help to

[165] More specifically, the online survey showed that successful proposing organisations and implementing bodies clearly prefer direct management by CHAFEA. This is the case for 54% of the successful proposing organisations and 60% of the implementing bodies that took the online survey.

increase the effectiveness of programme implementation. Lastly, the lack of flexibility is reinforced by the application of stricter than necessary financial rules on behalf of some national competent authorities, to ensure they do not encounter issues with audits of simple programmes on behalf of the EC.

At the same time, it is worth noting considerable efforts have already taken place to encourage information sharing and enhance exchange of best practices among all stakeholders, including proposing organisations and national competent authorities. CHAFEA and DG AGRI have been organising annual info days in Brussels and have participated in numerous info days organised in Member States. The following table lists the Member States that have been hosting info days in the years 2017-2020.

Table 21: Info Days in Member States

2017	10 MS: BG, DE, EE, ES, HU, IT, PL, RO, SK, FI
2018	17 MS: BE, BG, CZ, DE, EE, EL, ES, FR, IT, CY, HU, NL, PL, PT, RO, FI, SE
2019	10 MS: CZ, EL, ES, FR, IT, HU, NL, PL, PT, RO
2020	11 MS: BG, EL, ES, FR, IT, LT, PL, PT, RO, FI, SE

Note: For a glossary of country codes, please see here.

As highlighted, those with insight into or experience of how the multi and simple programmes are managed express greater satisfaction with the management of multi programmes than with the management of simple programmes. There was consensus that direct management by CHAFEA is more efficient and effective and the support provided by CHAFEA is highly valued. With regard to simple programmes, the critical issues were the need for more flexibility and harmonisation in the application of rules, to ensure adjustment of measures to changing circumstances and an equal treatment of proposing organisations.

SUMMARY

Overall, there is greater stakeholder satisfaction with management by CHAFEA than there is with management by national authorities. This relates partly to the fact that CHAFEA is better placed to administer the programmes with its deeper understanding of the programmes and their underlying intentions, as well as having the dedicated systems and experienced staff in place. Having sufficient management resources is more challenging for some competent national authorities than for others, which may lead to the other issues highlighted:

- competent national authorities' variable interpretation of the guidelines and application of procedures and rules, which implies a need for greater harmonisation of rules to reduce confusion, ensure a level playing field for applicants and create more opportunities for exchange of good practice;
- competent national authorities' difficulties in accessing the information that they need and proposing organisations' difficulties in knowing which managing authority to contact for information (i.e. CHAFEA or national authorities). This remains and issue despite the CHAFEA website provides exhaustive guidance and addresses many frequently asked questions;
- national authorities reported lack of confidence in approval and implementation of adjustments;
- proposing organisations perceiving lack of flexibility about budgetary/contractual or other adjustments in simple programmes, which makes the measures non-reactive to contextual changes.

These issues could be linked to the need to strengthen clear communication and dissemination of information between proposing organisations and national authorities, and between proposing organisations / national authorities and DG AGRI.

Another suggestion raised was to integrate the management for multi and simple programmes under CHAFEA, as CHAFEA provides more dedicated support and has a better overview of the whole process. Whilst this suggestion might not be practical, it does confirm the need to reinforce support to competent national authorities, including the availability of digital tools / platforms similar to those available to CHAFEA to support their work. Ultimately, this will improve the effectiveness of programming process and better support DG AGRI's policy goals.

4.3.5. Contribution of provisions on origin and brands

Subquestion2.4 To what extent have the provisions concerning the origin and brands of the products contributed to the effectiveness of the promotion policy?

COVERAGE OF SUB-QUESTION

To answer this sub-question, consideration was given to the extent to which provisions on origin and brands are considered effective by (successful / unsuccessful) stakeholders. This meant seeking:

- Qualitative evidence confirming that relevant proposing organisations, and national authorities consider the provisions concerning origin and brands are effective and can provide concrete examples where possible.

The investigation also focussed on issues or problems caused by the restrictions on mentions of origin and visibility of brands, by looking at:

- Views, opinions, examples provided by proposing organisations and managing organisations, including concrete examples, where possible.

BACKGROUND

In terms of eligible products, the new measures cover a larger selection of agricultural products, as well as food products, with certain flexibility to mention brands and origin of products (Article 4 of Regulation 1144/2014). Commercial brands can be visible during demonstrations or tastings and on information and promotional material (while respecting requirements of Article 5 of Reg. 2015/1831), if the measures themselves remain non-brand oriented.

The new Regulation gives recognition to the strategic importance of brands and origin, subject to certain conditions. It is possible for commercial brands to be visible provided that the principle of non-discrimination is respected and that the overall non-brand-oriented nature of the measures remains unchanged. This aims at ensuring equal treatment and access for all brands, allowing each brand to be equally visible with its graphic presentation, in a smaller format than the main EU message of the campaign.

The Commission's guidance notes indicate that the rules on brands are quite strict. For example, at least five brands are to be displayed, to ensure that the campaign remains generic and is not an advertising campaign for a limited number of private firms. In terms of origin, whilst promotional measures cannot be origin-oriented, it is possible for the origin of products to be visible on information and promotional material. This is subject to a number of rules, depending on the market involved. In the internal market, mention of the origin must always be secondary in relation to the main Union message of the campaign. In third countries, mention of the origin may be on the same level as the main Union message of the campaign. For products

recognised under EU quality schemes, the origin registered in the denomination may be mentioned without any restriction.

PRESENTATION AND ANALYSIS OF EVIDENCE

Circa 40% of national and EU-wide organisations who participated in the on-line survey have faced issues with restrictions on mentions of origin and visibility of brands. In the in-depth interviews and the case studies, there were frequent concerns about the extent to which the provisions on origin and brands are in line with the needs of proposing organisations.

Overall, the most common concerns raised by proposing organisations and EU-wide organisations about restrictions on the provisions of origin and brands and more specifically the requirement to have the EU message as the primary focus are as follows:

- There were concerns among proposing organisations about disseminating the message that the product promoted is of 'European' origin. Proposing organisations also shared concerns that campaigns that do not promote EU-quality schemes cannot use the region/origin of the product in campaign messages. It was suggested that, there is typically significantly higher consumer awareness of a specific country or region than 'Europe' in general in the messaging. Being allowed to feature the specific country/region of origin of the product in the campaign could lead to a stronger negotiating position for the proposing organisation with market professionals. Moreover, stakeholders argued that people in the country-side and peripheral areas are not being reached by campaigns financed by the EU and have not seen the 'Enjoy Its from Europe' slogan;
- the EU message is accompanied by a disclaimer that the EU is not responsible for the content of the message, which is confusing and self-defeating;
- the restrictions on visibility may discourage involvement from several stakeholders, who are not willing to invest resources into a campaign that restricts to a large extent the mention of brands and origins;
- there was also concern that having multiple messages dilutes the effectiveness of the measures, and that 'forcing' the dissemination of the EU brand can detract from core campaign objectives;
- applying restrictions in mentioning the country of origin is problematic since this does not always allow to reflect the variations among European products both in terms of quality and methods of production. In that regard, the national brand may sometimes be stronger and serve the campaign better than the fairly generic reference to 'European products'.

However, it is important to note that proposing organisations' also have a vested interest in making their origin or brand more visible. Whereas private interests should under no circumstances undermine or overturn fundamental principles of the promotion policy: Recital 7 to Regulation 1144/2014 guarantees that promotion programmes will remain non-brand-oriented:

'Information provision and promotion measures should not be brand- or origin-oriented. Nevertheless, in order to improve the quality and effectiveness of demonstrations, tastings and information and promotion material, it should be possible to mention the commercial brands and product origin, provided that the principle of non-discrimination is respected and that the measures are not aimed at encouraging the consumption of any product on the sole ground of its origin'.

The current provisions on mention of origin aim to protect the EU policy on quality logos as a whole. If the mention of a local origin were to be allowed for a product which does not have an EU quality logo, this could create confusion with all the EU quality policy. Similarly, in order to guarantee that the display of brands will not weaken or divert the main European message, a maximum percentage of 5% is fixed for the surface of communication dedicated to brands.

The promotion policy is intended to supplement promotion schemes run by Member States or the private sector, which explains the rationale for the focus on a Union message, as stated in Regulation 1144/2014. The main message thus needs to refer to Europe in general, to the EU, to the CAP, EU legislation, EU products or EU production standards. In case of European quality schemes, the main Union message shall focus on the scheme itself.[166]

SUMMARY

Several issues emerged during research in relation to provisions on origin and brands, which mainly relate to fear of reduced effectiveness of the campaigns due to the restrictions imposed on the use of origin and brands.

These views, coming primarily from market and industry professionals, should be given adequate consideration to enhance progress of the promotion policy towards its objectives. At the same time, it is important to examine the promotion policy in accordance with the principle of non-discrimination and the fact that the promotion policy is inherently a Union policy rather than a national or private one. Therefore, given the complementary nature of EU action in this area, ensuring that the Union message is the main message of the campaigns and the consequent restrictions in the provisions on origin and brands appear to support their intended purpose. Moreover, this approach safeguards related EU policies (such as the EU policy on quality logos) and guarantees the principle of non-discrimination, prohibiting favourable treatment on the grounds of nationality.

All in all, when taking the above into consideration and in the absence of a counter-factual measurement which would indicate how different rules would impact the effectiveness of the measures, it is challenging to establish a link between the concerns expressed by some stakeholders and any potential impact of these issues on the effectiveness of the promotion policy.

[166] CHAFEA, see frequently asked questions here.

4.3.6. Monitoring and evaluation system

Subquestion2.5 To what extent is the monitoring and evaluation (M&E) system effective?

COVERAGE OF SUB-QUESTION

To answer this sub-question, consideration was given to four judgement criteria. First, the investigation focussed on the quality and consistency of monitoring and evaluation data available, for example the:

- proportion of ongoing and finalised simple and multi programmes that have provided data against output, results and impact indicators on an annual basis; and the
- proportion of Commission own initiatives that have been reported on (e.g. through a final or technical report)[167].

Consideration was given to the extent to which the M&E system is found useful and proportionate by those involved in programme reporting, based on levels of consensus in qualitative feedback from proposing organisations, implementing bodies, national authorities (involved in simple programmes) and managing organisations (CHAFEA and DG AGRI).

The extent to which the M&E system can be used to report on outputs, results and impacts at EU-level was assessed by looking at the quality and consistency of data available for monitoring and evaluation purposes[168].

Lastly, the research considered issues, problems, and effects of the M&E system in the context of specific campaigns and measures through evidence from the case studies.

Before assessing the effectiveness of the monitoring and evaluation system, the requirements and process to be followed are recalled below. This is then analysed using the available evidence.

BACKGROUND

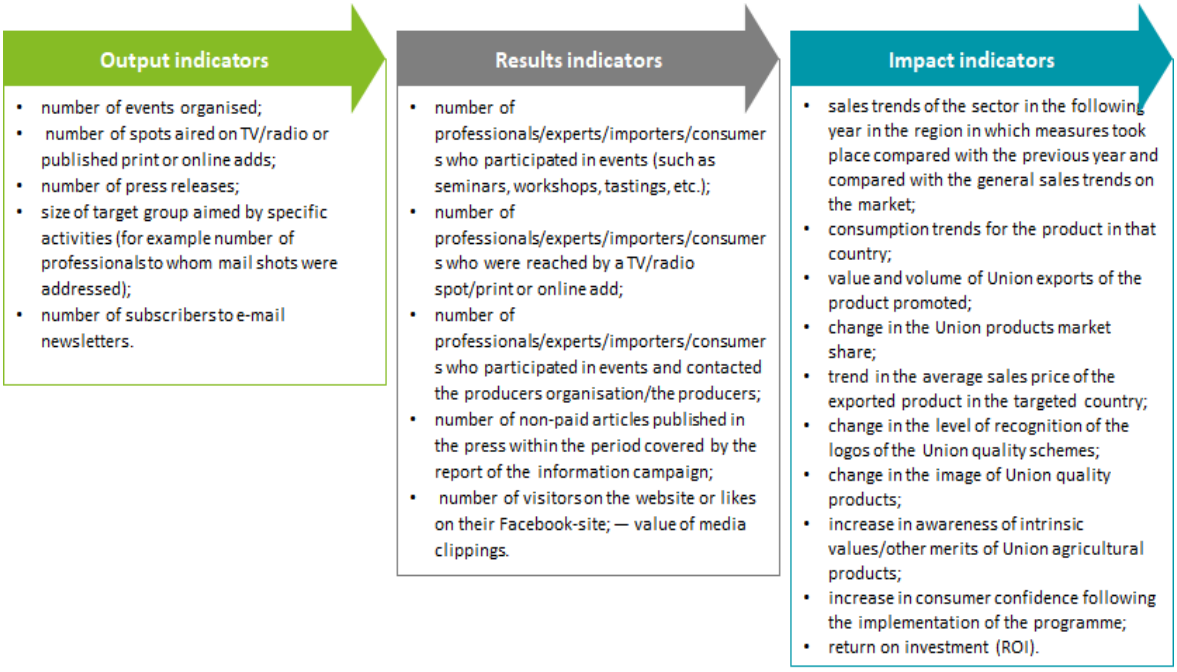
According to Article 25 of Reg. 1144/2014, all interested parties (i.e. beneficiaries and implementing bodies) are required to provide the Commission with all the data necessary to assess the impact of the measures funded. Article 22 of Reg. 1831/2015 defines a common framework for assessing the impact of information and promotion measures using a system of indicators. The system comprises three sets of performance Indicators:

- **Output indicators -** measure the degree of implementation of the activities foreseen in each programme;
- **Result indicators -** measure the direct and immediate effects of the activities; and
- **Impact indicators -** measure the benefits beyond the immediate effects.

[167] There was originally a third indicator under this judgement criterion (JC) in the EQM 'assessment of quality and consistency of data available for monitoring and evaluation purposes'. This is moved to the third JC to improve the flow of the findings and analysis.

[168] This JC previously had a different indicator as follows, 'the proportion of reported data against output / results / impact indicators which is comparable and complete'. However, this was replaced with the indicator from JC1 to avoid duplication and improve flow.

Figure 21: List of Output, Result and Impact indicators



Source: Annex to Reg. 1831/2015

Proposing organisations must specify in their proposals which indicators from each set of performance indicators will be used to assess the impact of their programme. The proposing organisations must use (a selection of) the indicators described in the Annex to Regulation 1831/2015. They may use other indicators if they can show that, due to the nature of the programme concerned, those indicators are more appropriate.[169]
In terms of the reporting process, proposing organisations need to submit an annual Interim Report (to the Member State for simple programmes, and to CHAFEA for multi programmes)[170]. The Interim Report includes a financial report and a technical report, which provides a description of the activities carried out in the first years (one per year), using the output and result indicators of the programme referred to in Article 22 of the Regulation.

Once the programme is complete, the proposing organisation needs to submit to CHAFEA (for multi programmes) or the Member State (for simple programme) within 90 days:

- The last Interim Report, concerning the last year of implementation of the programme (within 60 days);
- a Final Report, which needs to include a final technical report containing an overview of the activities carried out and the outputs, results and impacts of the programme using the indicators referred to in Article 22;
- a Study evaluating the results of the information and promotion measures, undertaken by an independent external body, using the indicators referred to in Article 22.

[169] Article 22, Regulation 1831/2015.
[170] For simple programmes: Article 14 and 15 of the Commission Implementing Regulation (EU) 2015/1831 and Article 14 and 15 of the Model grant agreements for the promotion of agricultural products (SIMPLE AGRI PROMO MGA -Mono), For multi programmes: Article 14 and 15 of the Model grant agreements for the promotion of agricultural products (CHAFEA Agri promotion MGA – Multi).

The Member State then needs to complete a yearly notification to the Commission for simple programmes through the ISAMM system by 15 July each year. There is a five-page document providing guidelines on the notifications the Member States must provide to the Commission.[171]

PRESENTATION AND ANALYSIS OF EVIDENCE

The first judgement criterion aims to establish how the monitoring and evaluation system is being used and the evidence that is generated by the system. The available documentary data shows that full compliance with the Commission's requirements is not achieved: the data on indicators is incomplete from simple programmes (see Chapter 2 – section 2.2). Indicator data is missing for 36 simple programmes (out of 110 simple programmes implemented in 2016 and 2017) across the following Member States:

- Belgium: partially available (missing data for one programme in 2016),
- Greece: not available (missing data for eight programmes funded in 2016 and 4 in 2017)
- France: partially available (missing data for two programmes in 2016 and six in 2017)
- Italy: not available (missing data for nine programmes funded in 2016 and four in 2017);
- Lithuania: partially available (missing data for two programmes in 2017).

There is significant variation in the way that programmes have reported on the indicators. Table 22 illustrates variation in the reporting of output indicators in simple and multi programmes. Notwithstanding the fact that some MS did not notify DG AGRI about (some of) the simple programmes; there are six indicators, where less than half of the simple programmes have chosen to report on. The lower usage of certain indicators is expected to some extent, since at the proposal stage, proposing organisations can choose which indicators they will report on in accordance with their preselected activities.

[171] Guidelines for the notifications to the Commission concerning simple programme pursuant to Article 21 of Commission Implementing Regulation (EU) 2015/1831.

Table 22: Simple and multi programmes reporting output indicators

	2016 and 2017 Simple Programmes (N=74)		Multi programmes (n=16)	
Indicator	**N=**	**% of total**	**N=**	**% of total**
O1 Number of stands at trade fairs organised	60	81%	10	63%
O2 Number of seminars/workshops organised	48	65%	14	88%
O3 Number of press conferences organised	34	46%	10	63%
O4 Number of tastings days at points of sales organised	40	54%	12	75%
O6 Number of study visits organised	35	47%	8	50%
O8 Number of spots aired on TV	20	27%	9	56%
O9 Number of spots aired on radio	24	32%	8	50%
O10 Number of published print adds	42	57%	13	81%
O11 Number of published advertorials	26	35%	8	50%
O12 Number of published online adds	43	58%	9	56%
O13 Number of press releases	50	68%	15	94%
O14 Number of e-mail newsletters sent out	27	36%	10	63%

Source: own elaboration based on data shared by DG AGRI and CHAFEA

Variation is also found in the reporting of the result indicators, although programmes were more likely to report on result indicators than output indicators taken as a whole. The average percentage of simple programmes reporting on output indicators was 47% whereas it was 54% for result indicators. For multi programmes, the average percentage of simple programmes reporting on output indicators was 62% whereas it was 70% for result indicators.

The above data indicates that there is scope to increase the consistency in the use of indicators. It is possible that proposing organisations chose not to use and report on indicators because they are not relevant to their activities. This will be examined further by checking the activities implemented by the programmes and where relevant making recommendations for new/additional indicators at the next stage of this study.

Table 23: Numbers of simple and multi programmes reporting result indicators

	2016 and 2017 Simple Programmes (N=74)		Multi programmes (n=16)	
Indicator	**N=**	**% of total**	**N=**	**% of total**
R1 Number of professionals/experts/importers who participated in B2B events	57	77%	12	75%
R2 Number of consumers who participated in B2C events	46	62%	12	75%
R3 Number of professionals/experts/importers reached by advertisements	39	53%	13	81%
R4 Number of consumers reached by advertisements	43	58%	11	69%
R5 Number of buyers (importers, distributors, retailers etc.) who participated in events and contacted the producers, their organisations	31	42%	8	50%
R6 Number of points of sales listing the promoted product	45	61%	9	56%
R7 Number of non-paid articles published in the press	37	50%	14	88%
R8 Value of media clippings (in €)	55	74%	10	63%
R9 Number of website visitors	44	59%	14	88%
R10 Number of positive reactions on social media	18	24%	12	75%
R11 Number of subscribers to e-mail newsletters	25	34%	8	50%

Source: own elaboration based on data shared by DG AGRI and CHAFEA

Next, the extent to which M&E system is found useful and proportionate by those involved in the reporting or monitoring of the programmes and programming of the policy is looked at. Qualitative evidence is considered demonstrating the level of agreement regarding utility and proportionality of M&E system among proposing organisations, implementing bodies, national authorities (involved in simple programmes) and managing organisations (CHAFEA and DG AGRI).

Feedback from CHAFEA suggests that the current system of indicators is somewhat problematic because even if applicants understand the theory behind results-chain

thinking from output to result to impact, in practice they struggle to understand how to apply this to their own projects. It is noted that a number of efforts have been made to reinforce applicants' understanding of what is required; these include a webinar, which is on the CHAFEA portal, and the request to experts to evaluate proposals taking into account the way that objectives are defined and indicators are used. The need for selected proposals to include appropriate indicators and an evaluation methodology are key points of focus for CHAFEA. The goal is to ensure that beneficiaries comply and report back on good quality indicators, which can then be combined with indicators for other projects, which target the same product or sector, etc. Consistent use of an indicator set, whilst still allowing programmes to choose the most relevant, would facilitate comparative analysis of programme outputs and impacts by target country, product and/or sector.

Evidence gathered from the online survey as well as the in-depth interview and case studies also confirms limitations with the current system:

- Most competent national authorities who participated in the on-line survey agreed that the monitoring and reporting system is clear, useful and proportionate. Most successful surveyed proposing organisations (78%) also agreed that reporting requirements are easy to understand. However, this trend is not confirmed by evidence gathered from the case studies, where national authorities and proposing organisations reported difficulties related to national authorities' capacity to understand the content of simple programmes. National authorities are only able to measure progress against indicators and carry out financial audits, leading to frustrations on both sides with regard to oversight of the effectiveness of these programmes.
- National authorities in charge of simple programmes also reported difficulties in understanding the concept of the Key Performance Indicators and how they should be used to inform reporting. It was mentioned that more support is needed, particularly in the form of capacity-building, through training and/or a dedicated support facility where questions from different stakeholders can be addressed.
- Evidence gathered from case studies and in-depth interviews suggests that proposing organisations and implementing organisations view the monitoring and evaluation (M&E) system as work-intensive and demanding, especially when specific promotion services/activities are subcontracted. This seems to relate to the issue of how well stakeholders understand the reporting process, as limited understanding makes the process more time-consuming, and restricts the possibility of lesson- learning through the monitoring process. Burdensome reporting can also potentially have an impact on the effectiveness of the measures, as it limits the time available for design and implementation of programme activities.

In general, interviewed proposing organisations for multi programmes expressed a higher level of satisfaction with the monitoring and evaluation process; for example, they highlighted that there are clear explanations about reporting requirements on the online platform.

It is not yet possible to assess the success of simple and multi programmes based on their level of impact, because most projects are still running, and because very few projects defined impact indicators. The lack of use of impact indicators constitutes a significant limitation in evaluating the long-term results of the promotion policy and

underlines the need for measurable 'outcome' indicators to confirm the short to medium effects of results achieved.

The extent was also assessed to which the M&E system is used to report on outputs, results and impacts at an EU-level, by looking at the proportion of reported data against output / results / impact indicators, which is comparable and complete.

The achievement of the indicators described in Article 22 is part of the assessment of the effectiveness of the promotion policy. The adequacy of indicators is also assessed in this section. Several observations can be made about the indicators drawing on the evaluation team's experience of the monitoring and evaluation of communication and promotion activities, as well as on feedback received from interviewees, as follows:

- The current indicator framework described in the Regulation is incomplete: the three levels of indicators are not sufficient to capture the effects of the simple and multi programmes. In a performance chain, each step of the chain should, at least in theory, generate the next level of effects. However, there is a missing step between the stated 'results' and the intended 'impacts'. For example, it is difficult to ascertain that there was a direct link between the number of website visits or event participants and an increase in consumption. Therefore, introducing indicators to link results and impacts or amending existing results indicators accordingly would be useful.
- The allocation of indicators to the headings outputs, results and impacts could be improved to enhance their clarity and usability. For example, some of the impact indicators currently listed can be beyond the direct sphere of impact of simple and multi programmes even if the programmes may have some influence on these elements. Impact indicators like changes in market share may mainly result from agricultural market general conjuncture: world prices, quantities harvested, etc. Promotion and commercial activities are weak tools and cannot change these evolutions on their own.
- At the results level, there is a focus on quantitative indicators. As they currently stand, indicators at this level require mostly quantitative data that attempt to provide a straightforward numerical description of the issues/success of the programmes and steer the policy response in a specific direction, the success or otherwise of which can be easily measured. This indicator design, especially in relation to results and impact indicators fails to consider the fact that data regarding the promotion policy continue to be subject to contextual and other limitations, which would require systematic qualitative information to be reported.

SUMMARY

Given the on-going nature of many of the programmes under review, it is not yet possible to make a full assessment of programme achievement based on data collected through the M&E system.

Overall, it appears that there is greater satisfaction with the system as rolled out for multi programmes than for simple programmes.

Once complete, in most cases it will not be possible to assess programme impact because relevant indicators have not been set meaning that the focus of monitoring and evaluation is on outputs and results and not impacts. There are difficulties and costs in capturing robust evidence relating to impacts due to the likely weak causal effects of information and promotion measures on for example impacts such as market share. This situation is also exacerbated by difficulties experienced by proposing organisations to understand how to set appropriate indicators and systems

to capture the required data, and by the administrative burden related to reporting, which some stakeholders found excessive.

Our assessment is that this could be alleviated to some extent by refining the types of indicators at each level and introducing a fourth category of indicators to link results and impacts. Overall, a general lack of focus on qualitative effects makes it difficult to assess at the aggregate level how target audiences have responded to the information they received and whether improvements could be made across the programmes.

4.4. Commission own initiatives

4.4.1. Introduction

COVERAGE OF QUESTION

This section presents findings relating to Commission own initiatives (measures funded between 2016-2019) separately to ensure their specific nature and different approach / scope is accounted for. The two relevant sub-questions, which are answered here are presented below.

- Sub-question 2.6 To what extent have the Commission's own initiatives contributed to the effectiveness of the promotion policy? (EQ 1)
- Sub-question 2.5 To what extent is the monitoring and evaluation system of Commission own initiatives effective? (EQ 2)

BACKGROUND

The European Commission implements measures on its own initiative to promote EU agricultural products in third countries and to provide support to proposing organisations and EU exporters through market-entry handbooks and technical services. Commission own initiatives also cover MS products that do not fall under the scope of successful simple or multi programmes. The initiatives are selected according to the defined strategic priorities of the AWP. DG AGRI and CHAFEA have framework contracts for communication agency and events services to implement a range of different activities such as high-level missions, seminars, presence at fairs or communication campaigns.

Based on the information shared by DG AGRI and CHAFEA, over 30 Commission own initiatives were carried out between 2016-2019, at a total cost of more than €20.4 million. The budget is allocated through a competitive tendering process which leads to framework agreement in several lots with communication companies for the implementation of the various types of activities (more information on policy design and management in section 2.3). These measures included:

- **Information and promotion measures**[172], including:
  - **High-level missions** in key third country markets. European officials and business delegates engaged with target audiences (e.g. business representatives) and governments with the aim of opening up international markets, facilitating international partnerships and supporting exports by providing information on EU products. Often, these activities were combined with participation at trade fairs;

[172] Including to restore normal market conditions, in the event of serious market disturbance, loss of consumer confidence or other specific problems, measure which has never been launched to date.

  - **Trade fairs, international exhibitions and the set-up of EU pavilions**: these activities focused on storytelling about European products, developing online content, advertising and media relations, as well as, tasting sessions and cookery masterclasses for business audiences. The events aimed to communicate on food safety, quality, traceability, authenticity, tradition and nutritional value with a special focus on EU quality labels;
  - **Communication campaigns** also focused on the safety, authenticity (e.g. Guarantee of Origin) and quality of EU products. They aimed to raise awareness of the excellence of EU agri-food products; encourage business audiences to import EU products; encourage consumers to buy EU products; and increase awareness about the benefits of the Economic Partnership Agreements (Canada; Japan);
  - **Quality/Sanitary and Phytosanitary Standards (SPS) seminars:** promoted EU products by explaining SPS, promoting EU quality schemes for agricultural products, EU organic production or sustainable production systems;
  - **Market Entry Handbooks** provided specialised market insights on how to export agri-food products for key target markets.
- **Technical support services** to proposing organisations and companies in the EU, to help operators participate in co-financed programmes, prepare efficient campaigns and develop activities on export markets. They aimed to:
  - encourage awareness of different markets (e.g. exploratory business meetings);
  - maintain a dynamic professional network around information and promotion policy (e.g. providing advice to the sector with regards to the threat of imitation and counterfeit products in third countries); and
  - improve knowledge of EU rules on programme development and implementation.

Table 24 presents the budget breakdown by type of Commission own initiatives. The list is based on available data and may not be fully comprehensive.

Table 24: Budget allocation by type of Commission own initiatives 2016-2019[173]

Type of initiatives	Number of initiatives/contracts[174]	Total budget or amount paid (in €)
EU pavilions at Trade Fairs[175]	7	3 409 448
Quality/SPS Seminars	6	1 723 708
High level missions	8	2 673 254
Communication campaigns[176]	4	11 135 841
Other promotional activities[177]	1	44 705
Technical support services (incl. webinars and market entry handbooks)	6	751 264
Total	**32**	**19 738 220**

Source: Commission data on Commission own initiatives

The following table provides a non-exhaustive overview of Commission own initiatives per markets targeted. Please note the scope is not the same as in Table 24, as 'other promotion activities' and 'technical support services' which are not systematically linked to target markets are not included.

[173] Budget is distributed to implementing communications companies through a competitive procurement.
[174] Numbers given here are that of contracts, it must be noted that one contract can be comprised of several activities/components.
[175] Including Additional equipment for three fairs in 2016 and budget for booking a stand for SIAL China, SIAL Canada and SIAL ME.
[176] Including Baseline measurement.
[177] Includes identity guidelines for own initiatives 2019.

Table 25: Number of Commission own initiatives by target market for four types of in country initiatives[178]

	HLM	Trade Fairs	Communication campaigns	Quality/SPS seminars	Total per country
Canada	1	1	1		3
China	2	2	1		5
Colombia	1			1	2
India				1	1
Japan	2	1	1		4
Korea				1	1
Mexico	1	1		1	3
Middle East	3	2	1	1	7
Vietnam/ Singapore/ Indonesia[179]	1			1	2
Total per type of initiatives	11	7	4	6	**28**

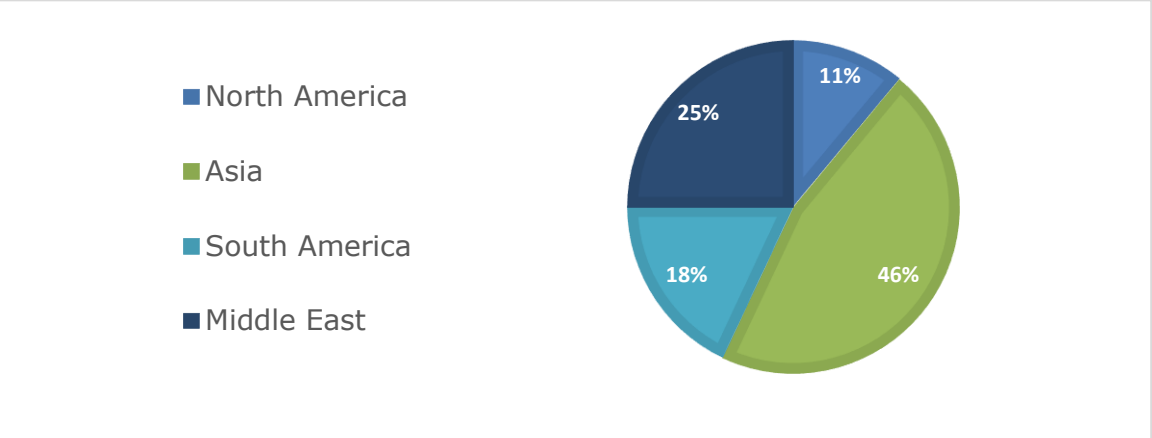
Source: Commission data on Commission own initiatives

Most Commission own initiatives target Asian countries (e.g. China, Japan) and the Middle East, which have existing or emerging markets with high export growth potential for products promoted by EU programmes.

[178] Excluding technical support services and other promotional activities, as well as activities related to other promotional initiatives such as additional equipment 3 fairs 2016 and budget for booking a stand for SIAL China, SIAL Canada and SIAL ME. Indeed, these cannot be connected to a specific country.

[179] Cannot be disaggregated – covers HLM in Vietnam / Singapore / Indonesia, 2016 and SPS seminar Singapore, 2018.

Figure 22: Commission own initiatives grouped per region



Source: Commission data on Commission own initiatives

4.4.2. Contribution of Commission own initiatives to effectiveness of the promotion policy

Sub-question 2.6 To what extent have the Commission Own Initiatives contributed to the effectiveness of the promotion policy?

COVERAGE OF SUB-QUESTION

To answer this sub-question, four judgement criteria were considered. First, the extent was investigated to which the **Commission's technical support services** meet the needs of final beneficiaries (i.e. EU agricultural producer organisations that are eligible for funding). This meant looking for qualitative evidence through desk research, demonstrating the level of agreement regarding the effectiveness of different types of technical support services.

Second, the extent was looked at to which **high-level missions, EU pavilions at international fairs, promotional seminars and communication campaigns** are considered to be effective and the level of agreement on the effectiveness of different types of Commission own initiatives. In addition, the effectiveness was assessed of each type of initiative to the extent possible, considering the potential effect on the objective to raise awareness of EU products, quality schemes and enhanced competitiveness/market share. Lastly, the **extent was assessed to which activities achieve (or are on track to achieving) their specific Key Performance Indicators**. The following analysis is based on data provided by the Commission, as well as additional desk research and interviews with key stakeholders.

PRESENTATION AND ANALYSIS OF EVIDENCE

Technical support services

The first judgement criterion considers if Commission technical support services meet the needs of the EU agricultural organisations that are eligible for funding**.** As part of the technical support services, a portal was developed to help potential applicants to understand the promotion policy and proposal submission,

including through six webinars available on the portal[180]. Moreover, the portal aims to encourage the awareness of different markets by providing tailor-made market intelligence reports and other relevant information covering key the target countries listed in the annual work programmes[181].

Information on the Commission technical support services did not feature prominently in the feedback received. However, users of the portal judged it to be effective according to the questionnaires that CHAFEA sent to applicants (86% found the calls documents useful, 76% found the criteria clearly explained and 79% were satisfied with the electronic submission[182]). From 2018, there was a steady number of visits (between 2 000 and 4 000) and over 1 200 EU agri-food stakeholders were registered users[183]. Feedback on the webinars and info days confirms their contribution to enhancing awareness /knowledge of the new rules, which may have helped to reduce the number of ineligible applications. However, there is no tangible evidence of a reduction as a direct consequence of these activities.

HLMs, trade fairs, communication campaigns and seminars

The second judgement criterion concerns the extent to which high-level missions, EU pavilions at international fairs, campaigns and promotional seminars are deemed effective. The following analysis relies on qualitative and quantitative evidence (from reports, interviews, Key Performance Indicators and the case studies), and uses the level of consensus on the performance/usefulness of different types of Commission own initiatives to confirm their effectiveness.

The evidence gathered points to some successes, although it is harder to identify evidence of specific medium-term effects, which were generated as a result of these initiatives and the extent that the effectiveness of the Initiatives content and implementation influenced these effects. In order to assess (to the extent possible), the effectiveness of the initiatives on target markets, each type of initiative was considered separately and then a conclusion was drawn on the overall effectiveness of Commission own initiatives based both on the effectiveness, in terms of roll out, and on generating desired effect.

High-level missions

High-level missions (HLM) were regarded very positively by the stakeholders and participants consulted as noted in annual follow up surveys linked to these missions. They reported that the HLMs with Commissioner Hogan had been particularly successful. The HLM allowed EU stakeholders (e.g. participating business representatives) to meet retailers and customers in third-country markets. Participants in HLMs praised Commission staff's event organisation, in particular they were positive about the ability to organise highly political meetings and also industry representatives' business needs. EU-wide agricultural producer organisations reported that the design of HLM was highly effective and that this had led to a high demand for places at Commission-organised events.

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[180] The webinars portal is available here.

[181] European Commission, Report from the Commission to the European Parliament and the Council, Interim Report in accordance with Article 26(1) of Regulation (EU) No 1144/2014 of the European Parliament and of the Council of 22 October 2014 on information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries and repealing Council Regulation (EC) No 3/2008, SWD(2018) 482 final.

[182] Interim Report in accordance with Article 26(1) of Regulation (EU) No 1144/2014 of the European Parliament and of the Council of 22 October 2014 on information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries and repealing Council Regulation (EC) No 3/2008.

[183] Ibid.

Attendees reported between 92% to a 100%[184] satisfaction with their participation in these events. The success of these missions is reflected to some extent in the annual follow-up survey, in which participants generally reported positive outcomes of the measures and, if not direct results, at least progress toward the objectives, such as:

- **expanded networks and contacts** (e.g. Vietnam, China; in Saudi Arabia, got new contacts during the mission, leading to new continuous sales)
- **new contracts**, such as:
  - More than 10 new contracts in China and Japan (sales value of more than €75 million / year);
  - New contracts in Canada;
  - 1 contract in Iran;
- **increased sales** (e.g. in Canada, China);
- **increased market access** and understanding of the third country markets:
  - Steps toward the finalisation of protocols to frame the conditions of imports into Vietnam;
  - In Iran, steps to better understand the challenges to exports (e.g. financial and administrative) and the potential interest of Iranian counterparts;
  - In Saudi Arabia, insights into the local distribution and retail system. Also, political meetings helped the bilateral process of facilitating agreements on market access.

In terms of results, it appears that HLM were rather effective. However, almost all stakeholders mentioned the need for an improved B2B approach to ensure better effectiveness.

Examples that illustrate the effectiveness of the missions, are the HLM to China[185]. In the period under assessment in this evaluation, there were two HLM to China that included the dairy sector[186]. The decision to hold an HLM to China was motivated by challenges (e.g. Russian embargo) and opportunities in the international market, making China an attractive proposition for promoting the image of EU agricultural products and strengthening business relations[187]. Stakeholders considered that these events were important to increase the visibility of products, create networks and support continuity in building market relations. Furthermore, they led to an increased number of contracts signed, as presented above.

However, in a few missions it was reported that there was lower stakeholder interest than expected notably due to dissatisfaction with the way the HLM were organised by external contractors. This was the case with the HLM in Saudi Arabia and in Canada (e.g. as reported by stakeholders because of the organisation, or absence of B2B meetings in the case of Canada, as well as limited contact with officials) [188]. However, even in these cases, stakeholders reported a high level of satisfaction and positive results. Overall, stakeholders confirmed that the Commission involved a good selection of stakeholders and had a good geographic and sectoral balance.

As HLMs aim to improve awareness of Commission products and market access, it is generally difficult to measure and attribute their impact on increased sales, market share or consumption. Participants mentioned that sometimes there was a limited direct result from meetings but that they did not always have a clear impact on sales.

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[184] Key Performance Indicator data provided by the Commission.
[185] Case Study 3 of the study on the promotion of EU dairy products in China.
[186] 2016 and 2018.
[187] Stakeholders interviews.
[188] Key Performance Indicator data provided by the Commission.

Despite this, the data provided for seven HLM[189] and technical reports provided some insight into their outcomes and results, but cannot yet determine long-term impacts, if any.

EU pavilions at trade fairs and international exhibitions

The Commission used trade fairs as opportunities to communicate the merits of EU agricultural products and EU quality labelling, as well as to support sales of EU products. In terms of results and outcomes[190], communication materials were distributed and there was good attendance at EU pavilions[191]. Participants reported being satisfied with the EU presence at the fairs (e.g. over 90% of participants at the EU pavilion in Shanghai 2018 gave positive feedback on the design and activities of the pavilion). Surveys administrated to attendees of the EU pavilion at trade fairs[192] suggest that they gained a higher awareness of the quality of EU products. In all cases, above 90% of respondents *tended to agree* or *totally agreed* with the merits of EU food or beverage products. Also, 95% of respondents were *moderately positive* or *very positive* about agricultural food or beverage products from the EU and confirmed their willingness to consume these products.

These surveys also provided feedback that increased awareness of quality schemes and the recognition of the PDO label ranged between 42-67%, for PGI it was 42 – 65%. For Organic label, opinions varied more widely from 19% at Alimentaria Mexico to 66% at Gulfood Dubai. Participants in the EU pavilion in Shanghai reported even higher increases in their awareness and understanding of EU product; 95% increased their understanding about the quality of EU products, 93% about safety, 92% about diversity, 86% about tradition and 85% about GIs[193]. These results confirm that trade show participation contributed to promoting products and quality schemes outside of the EU; a conclusion which was echoed by the EU-wide organisations interviewed for the study. There were, however, some limitations to the effectiveness of the initiatives:

- Stakeholders interviewed mentioned they would benefit from more regular trade fair presence to build continuity and create long-lasting contacts and awareness in third markets. For example, case study research on the promotion of European dairy products in China found that continued presence helped to build networks on the ground, as well as to increase awareness of the products. This confirms the importance of a sustained presence and a medium / long-term strategic plan.
- Also, stakeholders underlined their view that promotion policy in third-country markets is limited by the rules regarding the mention of places of origin (or brands). However, these rules are intended to ensure fair competition and equal treatment of Member States, as well as the fact that rules regarding the mention of origins are less limiting than in simple and multi programmes.

Quality/SPS seminars

[189] KSA 2017, Iran 2017, Canada 2017, China/Japan 2016 and limited data to this date on Japan 2019, Dubai 2019, China 2018.
[190] Key Performance Indicators available Alimentaria in Mexico 2019, Foodex Japan 2019, Gulfood Dubai 2019. Kick-off inaugural event with businesses Beijing on 7 May 2019, in Shanghai in May 2019, SIAL Shanghai, Tastings in Tianjin May 2019, GI promotional event in Beijing 2019, Open day in Beijing June 2019, PROMO CHAIN MULTICITY 1 - HEMA / FRESHIPPO 05 July 2019.
[191] Key Performance Indicator data provided by the Commission.
[192] GULFOOD Dubai 2019, FOODEX Japan 2019 and ALIMENTARIA Mexico 2019.
[193] European Commission (2019). PPT Presentation: Own Initiatives from the Commission. Available here.

EU Quality/SPS seminars involved government officials and business representatives from the sector and provided information on EU products and standards. Attendees reported a high level of satisfaction (over 90%) with the organisation and information provided during the seminars[194].

For instance, a Quality/SPS seminar in Seoul was organised in March 2018, dedicated to the promotion of quality schemes, EU organic production or sustainable production systems, including the 'From farm to fork' SPS regime. The seminar featured 10 sessions followed by questions and answers, a debate [195] on 'The Korean market, Food Safety and Quality standards: benefits and challenges' and a cooking show pairing EU and Korean products. In addition, selected EU food and beverage products were displayed alongside the seminar. Evaluation of the event revealed that over 70% of participants reported that they had increased their knowledge of the EU food-safety standards, while a majority became more acquainted with EU quality schemes[196].

Similarly, for seminars in 2019 in Mexico, Singapore and in India, participants generally reported that the information provided was insightful. During the Iranian seminar, 100% of respondents reported that the seminar either met or exceeded their expectations with 77% reporting increased knowledge of food safety and GI[197]. Thus, over half of respondents to surveys[198] reported they increased their overall knowledge on the EU and on EU food-safety standards, as well as EU quality schemes.

Stakeholders reported that media coverage was generally good, with coverage on the SPS in India and South Korea, which was reported as having a positive tone and target reach was surpassed. Thus, it seems that targeted seminars reached their goal of increasing the awareness of EU products.

Communication campaigns

Communication campaigns primarily aim to follow up on different promotion activities already undertaken such as HLM or to engage with target audiences[199] in countries that have yet to receive an EU-led business delegation. They are designed to promote EU agri-food products[200] through several types of activities (e.g. familiarisation trips, media partnerships, campaign ambassadors, B2B stakeholder dinners/workshop etc.).

The campaigns focus on raising awareness about EU agri-food products (i.e. quality, safety and authenticity) thus encouraging businesses and consumers to import, distribute and consume EU agricultural products. At the time of this study, three of five communication campaigns are still ongoing (according to available data[201], campaigns last about 2 years) and as a result it is too early to make a final

[194] Key Performance Indicator data provided by the Commission.

[195] The round table included speakers from EU Member States, EU exporters, Korean trade and retail associations, private companies, and legal firms, gathering around 150 participants, including from Korean competent authorities, businesses, Korean media outlets, bloggers and social media influencers.

[196] Commission Staff Working Document Accompanying the document Report from the Commission to the European Parliament and the Council Interim Report in accordance with Article 26(1) of Regulation (EU) No 1144/2014 of the European Parliament and of the Council of 22 October 2014 on information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries and repealing Council Regulation (EC) No 3/2008 {COM(2018) 788 final} .

[197] European Commission (2019). PPT Presentation: Own Initiatives from the Commission. Available here .

[198] Follow-up questionnaire with the participants of the SPS seminar and follow-up of the policy aspects (DG AGRI desk officer's feedback).

[199] Consumers, Buyers, Distributors, Retailers and Media and Influencers.

[200] Interim Report in accordance with Article 26(1) of Regulation (EU) No 1144/2014 of the European Parliament and of the Council of 22 October 2014 on information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries and repealing Council Regulation (EC) No 3/2008

[201] Communication Campaign in Canada, 1st Interim report.

assessment of their effectiveness. Although all available documentation was provided by the Commission, there is limited formal reporting of data available to date. As mentioned above this relates to the stage of roll out of the campaigns.

As such, below a preliminary snapshot of the successes in terms of roll out to date from the limited formal reporting data available as of early 2020[202] is presented, complemented by other information sources[203].

Campaign data identified for the 'More Than Food' Campaign in the Middle East confirms a high level of on-line engagement with the campaign with 194 000 social media engagements. Other data confirmed that people sought more information or engaged in other follow-up actions, for example 239 133 downloaded / requested the newsletter and there were 2 060 respondents to the event survey. Visitors to events related to the 'More Than Food' campaign in the GCC[204] also reported changes in perceptions of the quality of EU products with 66% of B2B visitors and 80% of Business to Consumer (B2C) visitors indicating that they now perceived the EU products to be of high quality (although they still had very limited understanding of quality schemes).

Additionally, Key Performance Indicator data was available for kick off events, as well as cooking shows and tastings for the 2019 campaign targeting Chinese cities only. This shows attendance varied but was not always successful with three out of four closed events having less than 50% attendance compared to the number of invites. Open events had more success gathering up to 836 attendees. The satisfaction of attendees regarding the usefulness and organisation of the events was very high (generally 100%) and testimonials positive. Participants reported the events gave them a better understanding of EU agri-food products and the potential in the Chinese market. Over half of the participants across all events reported that they had learned about quality, authenticity and 50% on safety of EU products as well as on PDO/PGI and organic labels. This evidence points to successes so far in terms of the roll out of the activities and it appears campaigns are on track to achieving their Key Performance Indicators. However, this data it is not sufficient to assess the effectiveness in terms of generating medium term effects as data and results have yet to be reported for all campaigns.

SUMMARY

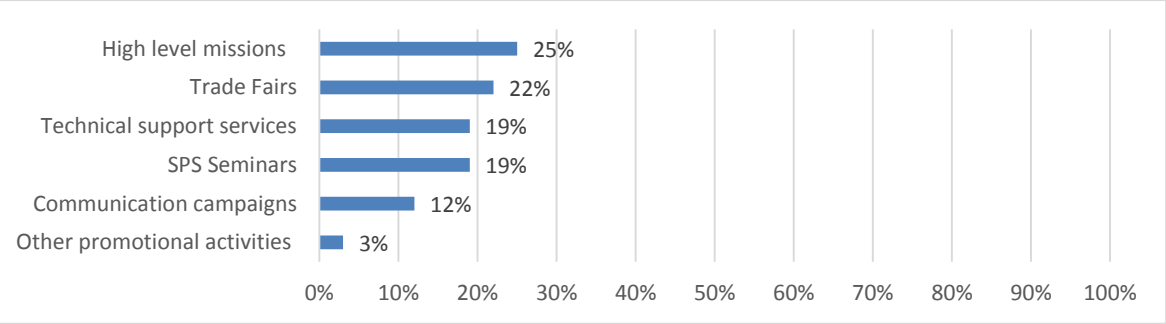
The section above presented the evidence collected to assess the effectiveness of the Commission own initiatives, which cover activities such as communication campaigns, including participation in major agri-food trade fairs in third countries, organisation of business delegation visits to third countries, seminars and provision of technical support services. To summarise, key information is recalled on the distribution of the budget and number of contracts per type of Commission own initiative as context for the main findings on the effectiveness of each specific initiative. The findings per Commission own initiative give rise to the overarching findings on the effectiveness of Commission own initiatives.

Figure 23 illustrates the share of different types of initiatives based on the number of contracts awarded under each measure[205] showing the most numerous contracts issued to date have been HLM and Trade fairs. Figure 20 shows the repartition of the Commission own initiatives contracts per types of initiatives which is analysed in more

[202] See Annex B for the full list of available documentation.
[203] Key Performance Indicator data and Power Point Presentation on Commission own initiatives provided by the Commission.
[204] Key Performance Indicator data provided by the Commission.
[205] Budgetary data provided by the Commission.

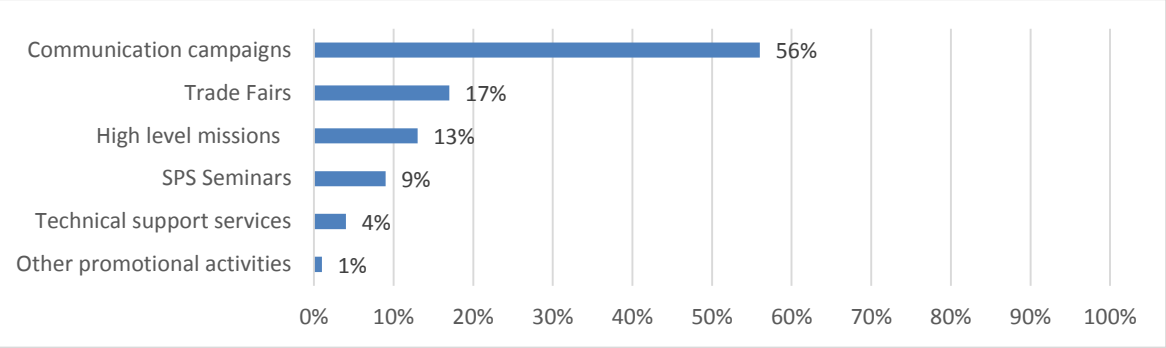
detail in the specific findings drawn on the effectiveness of each type of initiatives. Below this the budget allocation is presented, and it is notable that over half is allocated to communication campaigns.

Figure 23: Proportion of Commission own initiatives by number of contracts under each type of initiative (2016-2019)



Source: Commission data on Commission own initiatives

Figure 24: Budget allocation across Commission own initiatives funded (2016-2019)



Source: Commission data on Commission own initiatives

The following **specific findings are drawn on the effectiveness of each type of initiatives**:

- The limited evidence gathered on **technical support, which account for a small proportion of the budget (4%) and 19% of the contracts signed for Commission own initiatives,** suggests it does provide cross-cutting support to EU agricultural organisations on the type of support available and how to access it. The portal developed to help potential applicants, including the webinars have, according to the feedback gathered from the surveys administered, enabled a better understanding of promotion policy, different market opportunities and new rules for applications.
- The **high-level missions representing 25% of awarded contracts under Commission own initiatives and 13% of the budget,** are part of the EU's economic diplomacy activities. They appear to be successfully facilitating market access for European agri-food products by successfully raising awareness, with an overwhelming majority of attendees reporting a level of satisfaction over 90%, as well as new contacts leading from these missions. A number of specific positive results (e.g. increased networks of contacts in Vietnam and China, increased market access reported in Iran, new contracts and increased sales in China), show how these can have tangible benefits, although widespread evidence of increased market shares and sales across the eight missions funded to date is more limited at this stage which is in line with the function of HLM to prepare the ground.
- **Trade fairs, which make up 17% of the budget and 22% of contracts awarded,** proved to be particularly successful and an effective communication channel to support awareness-raising of merits and quality schemes of EU agricultural products (e.g. quality standards and GIs) with positive feedback reported across all cases (90%). Similarly, the levels of recognition of quality labels was also reported to be satisfactory according to the Key Performance Indicators data.
- The levels of satisfaction with EU **Quality/SPS seminars, which represent 9% of the budget and 19% of overall contracts awarded -** involve government officials and business representatives from the sector providing information on EU products and standards - was high (over 90%) and a majority of participants reported increased knowledge of EU standards and the merits of EU agricultural products.
- **Communication campaigns representing the largest share of budget (at 56%)** aim to follow up on other Commission own initiatives and support EU-led business delegations newly engaging with target audiences in third countries. Campaigns focused on safety and authenticity and could include the promotion of a product, as well as the quality of EU agricultural products. From the data available,[206] it appears that such campaigns have successfully increased the target audience's understanding of EU products and quality. As the campaigns follow-up other initiatives, there is limited data available to assess results to date, but the available data points to good engagement with campaigns as well as increased awareness of quality schemes.

In addition to, and in line with, the above, the following observations on the contribution of the Commission own initiative's as a whole can be made:

[206] Data provided on KPI and Power Point Presentation on Commission own initiatives provided by the European Commission. See Annex B for the full list of available documentation reviewed.

- The available data suggest the activities are **in line with the objectives of information provision and promotion measures**, as the HLM, trade fairs, communication campaigns and information seminars support an **increase in awareness among relevant stakeholders in third country markets, which contributes to creating a favourable environment for the promotion of EU agri-products** and is supportive of increasing the competitiveness of the EU agricultural products[207].
- The objective of **increasing the awareness and recognition of the merits and high standards of production methods of EU products**, as well as its quality labels (specific objective 1 and 3) seems to be supported to some extent, based on the data available. Participants report being satisfied with the events across all initiatives, as well as with the information provided on the EU agricultural products promoted. For events and fairs, participants also reported an increased awareness of the quality of products and willingness to consume the products.
- Presence at international trade fairs and visits of European stakeholders **increased consumers' awareness of the merits of EU agricultural products**. The increased knowledge of EU quality labels is where Commission own initiatives appears to be the least successful although the Key Performance Indicators reported show increased understanding. However, this is to be expected when entering new markets with different (if any) quality ratings of products. Moreover, the promotion of quality schemes and labels is not the central objective of Commission own initiatives, meaning that the effort related to communicating on these schemes is naturally slightly less intensive.
- In terms of **increased consumption, competitiveness and market share** (specific objective 2 and 4), the evidence points to some new contracts having been signed, as well as discussions on new contacts being established, as a result of these initiatives. This objective is the hardest to measure to date as this will mostly be measurable in the years to come. Beneficiaries also pointed to possible improvements of the B2B approach to ensure maximum results of the Commission own initiatives.

Furthermore, the **targeted approach developed since 2017 improved the effectiveness** of measures by allowing for continued targeting of certain countries (e.g. China). Repetition is central to the effectiveness of such initiatives and where the best results are seen in communicating on EU products and this is shown by the increasing success of initiatives in China. Beneficiaries of these initiatives, especially of HLM, highlighted the need to keep strengthening this approach to ensure maximum effectiveness of the Commission own initiatives.

Additionally, activities show attempts at complementing each other and in turn supporting direct and continued communication with target groups. Direct promotion ensures that messages are received, understood and have a better chance of impact. There is some evidence to confirm the direct benefits of these types of activities, as presented above.

Commission own initiatives are highly strategic and aim to improve market access in third countries, however it must be noted that, as reported by stakeholders, it is likely that **changes in awareness and market access will be incremental** and impact only visible in more long-term observations and not necessarily easy to attribute to those actions. As such, the evidence gathered on Commission own initiatives

[207] Based on the information from technical reports on Commission Own Initiatives.

suggests these initiatives are important in generating awareness and understanding of EU agri-food products to pave the way for other interventions.

4.4.3. Monitoring and evaluation system for Commission own initiatives

Subquestion2.5 To what extent is the monitoring and evaluation (M&E) system for Commission own initiatives effective?

COVERAGE OF SUB-QUESTION

To answer this sub-question, four judgement criteria are considered. The investigation focussed first, on the **quality and consistency** of the monitoring and evaluation data available. This meant looking at the proportion of Commission own initiatives that have been reported on (e.g. through a final or technical report).

Second, the extent is looked at to which the M&E system is found **useful and proportionate** by those involved in programme reporting or monitoring and programming of the policy, based on levels of consensus in managing organisations (CHAFEA and DG AGRI).

The extent to which the M&E system can be used to report on outputs, results and impacts at EU-level was also assessed by looking at the **quality and consistency of data** available for monitoring and evaluation purposes.

Lastly, consideration was given to the **issues, problems, and effects of the M&E system**.

PRESENTATION AND ANALYSIS OF EVIDENCE

Regarding the **quality and consistency of monitoring**, the evaluation team had access to standardised Key Performance Indicators reported to date for 27 activities (eight HLM, three Fairs, five Quality/SPS seminars, two campaign and 7 events carried out under communication campaigns) and 23 final/technical reports (for more details see Annex B).

From the sample of 23 technical reports and an additional 27 measures that reported somewhat standardised KPIs, some **general observations can be made on the reporting style and specific observations on the KPIs** themselves:

- Key Performance Indicators generally give a sense of the outcome, results and to some extent impact, although at this stage participants report difficulties in assessing long-term impact;
- Key Performance Indicators are largely based on annual participant follow-up surveys, which means they report mostly on perceptions and sometimes present limited evidence of the outcome in terms of quantitative impact (e.g. number of contracts signed, number of contacts made, increase in sales). These are the limitations of measuring increases in awareness and facilitating market access. Additionally, the newness of the measures also influences data availability;
- Lack of targets prior to the implementation of the measures, which could provide a better sense of the achievements and effectiveness of the activities carried out;
- Some Key Performance Indicators are not properly reported or partially reported (e.g. for one campaign the Key Performance Indicators 'Market share of EU products promoted in the campaign (in percentage terms)' was actually reported as 'Over 65 different EU products from all 28 MS tasted during the three B2C events').

Technical reports also provided additional indicators to report on the quality of the implementation and included self-assessments of how well targets have been reached. Several observations are made on the format of those indicators:

- The format of the indicators is not fully standardised at the EU level (this can be partly explained by the variety of actions, which require different indicators and reporting). But there are standardised formats per type contractor;
- The lists of indicators are extensive, not always presented altogether (i.e. they are spread across pages in the report making it hard to get an overview).

Turning to the assessment of the indicators set, there was a series of specific issues, which are illustrated with specific examples from the reports reviewed.

Often these non-standardised indicators were reported as 'implemented' but **not detailed or precise enough to confirm the degree of success or quality of the implementation**. Examples include, indicators on the relations with journalists (e.g. HLM to Canada 2017, set the Key Performance Indicator 'follow up with journalists to retrieve media coverage' reported to be 'implemented') and indicators of participation in activities (HLM in Canada, one KPI aimed to administer a survey to participants and simply reported that the activity was 'implemented', but did not provide any further information).

Thus, in many technical reports some initiatives are not actionable, and metrics have not been set. Furthermore, even when indicators should have been quantifiable, they were sometimes reported as 'not measurable'. For instance, the report on the EU Pavilion Foodex in Japan in 2019 indicates that the Key Performance Indicators on the number of participants to one event was not measurable as there was 'no registration'. Likewise, the number of visits to the Alimentaria website was also reported as non-measurable although it should be possible to harvest data on website visitors for a given period ex post. These examples confirm a lack of consistency in the setting up of appropriate monitoring systems tailored to specific activities prior to their rollout.

Second, consideration was given to the extent to which the M&E system is useful and proportionate.

The above-mentioned limitations to Key Performance Indicators and indicators, highlight the need to define more specific expected results and performance measurement indicators. Vague or absent metrics and indicators limits usefulness in performance assessments because they are not formulated as specific targets/actions. This makes it difficult to assess the effectiveness of the Commission own initiatives and this is reflected by the lack of clarity in most reports. Furthermore, Key Performance Indicators and indicators are presented separately and would benefit from having a more direct link to better understand the cycle of implementation and its results and impacts.

The case studies and interviews generated very limited information on the M&E system. One stakeholder mentioned that running Commission own initiatives requires a lot of resources and that the workload is heavy. However, it can be observed that these Commission own initiatives better measure the impacts than the simple and multi programmes, which tend to focus on the measurement of immediate results. Indeed, in the case of HLMs, impact is reported on and accompanied by a narrative that explains both achievements in the long term (e.g. building new networks, work contracted) and difficulties experienced. By contrast, simple and multi programmes have not been in a position to report the long-term impact of the measures and have

instead focused on short term outputs (e.g. number of activities, number of participants etc.) and medium-term results, in some cases.

Issues, problems, and effects of the M&E system.

The key issue with monitoring Commission own initiatives is that impacts are typically measureable over a longer timeframe and thus the Key Performance Indicators set cannot always capture the real impact during the implementation of the measure or immediately afterwards. Additionally, the three levels of indicators (outputs, results, impact) might not always be sufficient to capture the effects as they don't allow a broader understanding of the potentially challenging socio-political environments in which these actions take place and the inherent limits and difficulties that come with it. For instance, participants reported on challenging cultural and administrative environment in Saudi Arabia and the current way Key Performance Indicators are set does not necessarily reflect the achievements in terms of changes in the perception of the target audience. For more general issues with M&E system refer to section 3.2.6.

SUMMARY

Given that some initiatives are still under-going or were closed recently, only a limited assessment of the quality of reporting can be made.

The assessment of the **quality of standardised Key Performance Indicators:**

- Key Performance Indicators give a sense of the results and outcomes, but limited information on impact as it is difficult to draw a link between initiatives and changes in the market conditions;
- Key Performance Indicators largely report on the perceptions of participants, presenting rather limited evidence of outcomes in terms of quantifiable impact (e.g. number of contracts signed, number of contacts made, increase in sales);
- Some Key Performance Indicators are not properly reported or partially reported.

Observations and **specific issues with non-standardised indicators** which report on the quality of the implementation:

- Lack of standardisation at EU level;
- Extensive lists of indicators are available, but they are not always presented altogether;
- Some indicators are reported as 'implemented' but they are not detailed or precise enough to confirm the degree of success or quality of the implementation;
- Some initiatives are not actionable and do not set metrics. Even though indicators should have been quantifiable they are sometimes reported as 'not measurable'. This confirms the lack of consistency and use of proper M&E systems.

In terms of the usefulness of reporting, it was found that reporting would benefit from clearer definitions of specific expected results (e.g. in terms of targets), their performance measures and systems to collect data. It is not possible to assess the extent that reporting requirements are proportionate given the lack of data. However, whilst stakeholders suggest that Commission own initiatives are resource and workload heavy, the lack of focus placed on setting appropriate indicators and measurements systems suggests that improvements are required.

The strategic and political nature are specific features of EU Own initiatives, as the significance of these elements is hard to capture through surveys or reach data, going

forward there is scope to increase the use of qualitative data collection to find out more about how and why the initiatives are successful, identify suggestions for improvements, and allow a broader understanding of the contextual challenges. This data could also be used to provide lessons learned to future Commission own initiatives in the different third countries visited.

5. ASSESSMENT OF EFFICIENCY

This section presents the assessment of efficiency.

5.1. Introduction

Evaluation question 3: To what extent has been the promotion policy been efficient?

COVERAGE OF QUESTION

The question to be answered – to what extent has been the promotion policy been efficient? - is divided in five sub-questions (see below).

- Sub-question 3.1: To what extent was the direct management of multi programmes efficient (cp. Shared management of simple programmes)?
- Sub-question 3.2: To what extent was the application system incl. requirements, submission, evaluation, selection, management and technical support efficient?
- Sub-question 3.3: To what extent were the rules applied by MS concerning the procedure for the selection of implementing bodies efficient?
- Sub-question 3.4: To what extent were the Commission own initiative promotion actions efficient?
- Sub-question 3.5: To what extent does the possibility for organisations to apply for several programmes affect the efficiency of the European agricultural promotion policy?

It is important to note that the efficiency sub-questions have been rearranged to streamline the reporting and analysis process; assessing firstly the efficiency of the shared and direct management and then assessing how efficient concrete stages of the simple and multiple programmes have been, including application, selection and management processes.

5.2. Efficiency of direct management of multi programmes (cp. shared management of simple programmes)

Sub-question 3.1: To what extent was the direct management of multi programmes efficient (cp. Shared management of simple programmes)?

COVERAGE OF SUB-QUESTION

To answer this sub-question on how efficient the direct management of multi programmes has been compared to shared management of simple programmes, the following judgement criteria were looked at:

- Rationale for and perceived advantages of direct management of multi programmes;
- Differences between the satisfaction of proposing organisations of multi and simple programmes with their management, and;
- Issues, problems, effects of the management modes in the context of specific campaigns / measures.

The assessment of the three judgement criteria will be based on the information collected through the desk research, online survey, interviews and case study interviews.

Before presenting the evidence, some background is provided.

BACKGROUND

As explained in section 3.2.4, Regulation 1144/2014 provides the updated rules for management and implementation of both simple and multi programmes, which are aimed to enable a similar selection, management and implementation of both programme types. Key changes to streamline processes (compared to the previous implementation, monitoring and control of simple programmes) included: the selection and evaluation of both types of programmes carried out by DG AGRI and CHAFEA, (previously carried out by national authorities for simple programmes); the direct management of multi programmes by CHAFEA; and light-touch supervision and management of simple programmes by national authorities[208]. Moreover, according to Recital 6 of Regulation 1144/2014[209], the financing rules for direct management and shared management of programmes are regulated differently, however the implementation rules for both single and multi programmes should differ as little as possible.

PRESENTATION AND ANALYSIS OF EVIDENCE

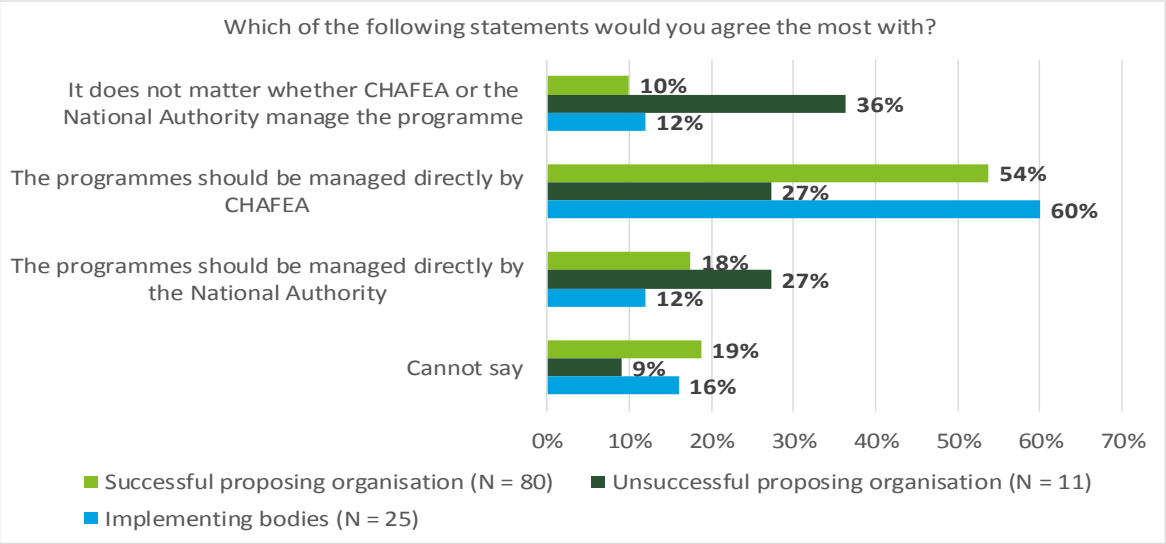
Case study evidence suggests that the former shared management approach to multi programmes, which meant that each MS would manage aspects related to its own country, was indeed deemed suboptimal (even 'chaotic') by national authorities. This was because different MS would create their own management and coordination processes, and this led to substantial differentiation between MS in the implementation of the measures. Case study interviewees consulted as part of this evaluation mentioned that having CHAFEA as a 'mutual connection' was considered an improvement in the implementation of multi programmes. This positive perception of CHAFEA's management role in multi programmes was also reflected by the preference of survey respondents for direct management by CHAFEA over the current shared management of simple programmes[210]. 54% of the successful proposing organisations and 60% of the IB surveyed expressed a preference for direct management by CHAFEA; while over 25% of successful proposing organisations and IBs did not provide a preference or stated that it did not matter whether CHAFEA or the national authority manage the programme (Figure 24). When controlling the responses for the type of programme implemented, it appears that proposing organisations with experience with Multi programmes prefer the management by CHAFEA much more strongly than proposing organisations with experience with Simple programmes only. In particular, 73% of the successful proposing organisations that have implemented a Multi programme prefer management by CHAFEA compared to 36% of the proposing organisations that have implemented a Simple programme.

[208] Article 14, Regulation 1144/2014.

[209] Recital 6: Simple programmes are to be implemented in shared management between the Member States and the Union in accordance with Regulation (EU) No 1306/2013 of the European Parliament and of the Council (5), while multi programmes are to be financed under direct management rules in accordance with Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council (6). As the same proposing organisation could have both simple and multi programmes, the implementation rules for both programmes should differ as little as possible. To that end, simple programmes should be subject to rules that are equivalent to those provisions of Regulation (UE, Euratom) No 966/2012 concerning grants which apply to multi- programmes such as, for example, the absence of a requirement to lodge a security to ensure satisfactory performance of the contract.

[210] NB. the survey structure does not allow for a quantification of the level of overlap in PO involved in simple and multi programmes.

Figure 25: Preferred management system



Source: Online survey of proposing organisations and IB

Even though NCAs acknowledged the Commission aim to simplify the coordination and implementation of programmes, and thus their cost-effectiveness, case study and online survey evidence suggests that stakeholders were not particularly satisfied with the shared management of simple programmes. Most believed that multi programmes are managed more effectively and efficiently than the simple programmes due to several factors (discussed below).

According to proposing organisation coordinators, one reason why the management of multi programmes is more efficient relates to reporting. For multi programmes, electronic reporting tools are available to all participants. For simple programmes (which are managed under management by the Member States' national authorities and the Commission), reporting is done using a two-stage process. In the first instance, proposing organisation coordinators report to national authorities (using traditional paper reporting methods); Member states then report to DG AGRI using online tools. The paper-based reporting in the first step of this process is described by proposing organisation-coordinators as onerous and time consuming. Those who have experience of both systems express a preference for the digital reporting, which – while still resource-intensive – is viewed as a significant improvement. Although not perfect, the online tools used by CHAFEA and DG AGRI are viewed as more efficient than the paper reporting systems used at national level. Moreover, with the current reporting system for simple programmes, there is a risk of Member States reinterpreting results when filling in the online tool in the second stage of reporting.

Secondly, case study evidence highlights differences in national authorities' knowledge around the policy, rules and procedures. Many national authorities reported feeling unable to answer questions raised by applicants and have therefore asked DG AGRI for support or referred applicants directly to DG AGRI. Others provided ongoing support to beneficiaries from the proposal preparation through the implementation of programmes. There appears to be some evidence from the case study interviews to support the suggestion that the amount of support provided by national authorities correlates with levels of participation in agricultural policy promotion programmes. The difference in support levels has knock-on effects in terms of the workload for applicants and leads to feelings of an uneven playing field between applicants from different countries. Whilst 45% of NCAs that responded to the survey felt that there was no need to change the current management systems of simple programmes, 36% said it should be changed. Eight NCAs made some specific suggestions for changes,

with four of them referring to the need for more guidance on the interpretation and application of rules (necessary for ensuring equal treatment across all Member States). proposing organisations and IBs consulted in the case studies also emphasised their frustrations with the lack of information available and an inability to get concrete or specific responses; they spent substantial amounts of time trying to understand responses provided by NCAs and some even asked directly DG AGRI and CHAFEA for support.

These differences in knowledge around the policy, rules and procedures had an effect on how much time and effort national authorities were able or willing to spend assisting proposing organisations in the application and management of programmes and how strictly they apply the rules set up under the Regulation. Case study evidence suggests major differences in how national authorities have managed simple programmes in their countries. According to Regulation 1306/2013, national authorities should have clear frameworks, aligned with national rules, that allow them to manage simple programmes in accordance with EU rules.[211] This implies that differences in the management of simple programmes across the EU can be expected, as each national authority will develop their own management frameworks and guidelines. In reality, this means that some MS apply stricter rules than other, particularly those that have been working on these programmes for a long period of time. Thus, there are variations in how costly and time consuming the implementation of simple programme is depending on NCAs' knowledge of the policy and new rules, as well as how these are interpreted. Thus, even though MS should develop their own guidelines and ensure a smooth implementation, proposing organisations suggested that NCAs in many MS have not yet ensured a timely and effective management of simple programmes.

Lastly, proposing organisations that responded to the survey and in case study interviews highlighted significant inflexibility when trying to change activities in simple programmes. This inflexibility is linked to how NCAs are interpreting the rules, with some applying more restrictive processes than other. However, most stakeholders perceived CHAFEA as being more flexible in response to requests for changes to activities in multi programmes than NCAs are with regard to simple programmes. Another factor that influences why NCAs are stricter and less flexible in their interpretation of the rules relates to the thorough auditing process that these have been subjected to in the past. Thus, some NCAs reportedly apply stricter rules than required, to ensure they do not encounter any problems when the Commission audits their simple programmes.

SUMMARY

There appears to be an emerging consensus amongst all stakeholders that the direct management of multi programmes by CHAFEA was more efficient than the shared management of simple programmes. This can be traced to a number of main factors:

- the use of digital tools for the reporting process is perceived as much more efficient than the use of paper tools. This has implications for the simple programmes, where the first step in the reporting process (from proposing organisation coordinators to NCAs) is still paper based.
- a standard approach in the application of rules related to applications, grant management and reporting by CHAFEA compared with a multiplicity of

[211] Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013, on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008.

procedures (and, by implication, differences in terms of flexibility and rigour in applying certain rules) between Member States.
- CHAFEA is credited with providing more useful information in response to queries raised by proposing organisation coordinators with regard to project management, which leads to longer term efficiency in implementation of multi programmes (linked to an increased certainty around the rules) compared to simple programmes, where there is less flexibility and increased fear of strict and opaque financial audits.

5.3. Efficiency of the application system incl. requirements, submission, evaluation, selection, management and technical support

Sub-question 3.2 To what extent was the application system incl. requirements, submission, evaluation, selection, management and technical support efficient?

COVERAGE OF SUB-QUESTION

To answer this sub-question, the following judgement criteria were used:

- Length and cost of application process;
- Extent to which applicants, programme managers and evaluators perceive the application process, requirements and support available as proportionate;
- Issues, problems, effects of the application system in the context of specific campaigns / measures .

The assessment of the three judgement criteria will be based on the information collected through the desk research, online survey, interviews and case study interviews.

PRESENTATION AND ANALYSIS OF EVIDENCE

Preparation of proposal and application system

Case study and survey feedback suggests that the application process is time-consuming. proposing organisation-coordinators, especially, report that a substantial amount of time is required to prepare an application, for which many organisations have neither resource available nor time. National authorities participating in the survey also noted this as a potential barrier. Due to the lack of time and resources available, several proposing organisations mentioned they have hired consultants to help them prepare and submit the proposals. proposing organisations hired consultants, not uniquely because of lack of time, but they also mentioned consultants helped them understand the rules to apply for simple programmes. Moreover, other proposing organisations have worked with implementing organisations that have experience with these grants in the preparation and submission of their proposals. Interviewees highlighted that the application process gets more efficient with time, as organisations have more exposure and experiences in complying with the requirements. It has also been raised as a potential barrier for new organisations, however, as they find themselves at an innate disadvantage not just in terms of content but also the human resources required to apply.

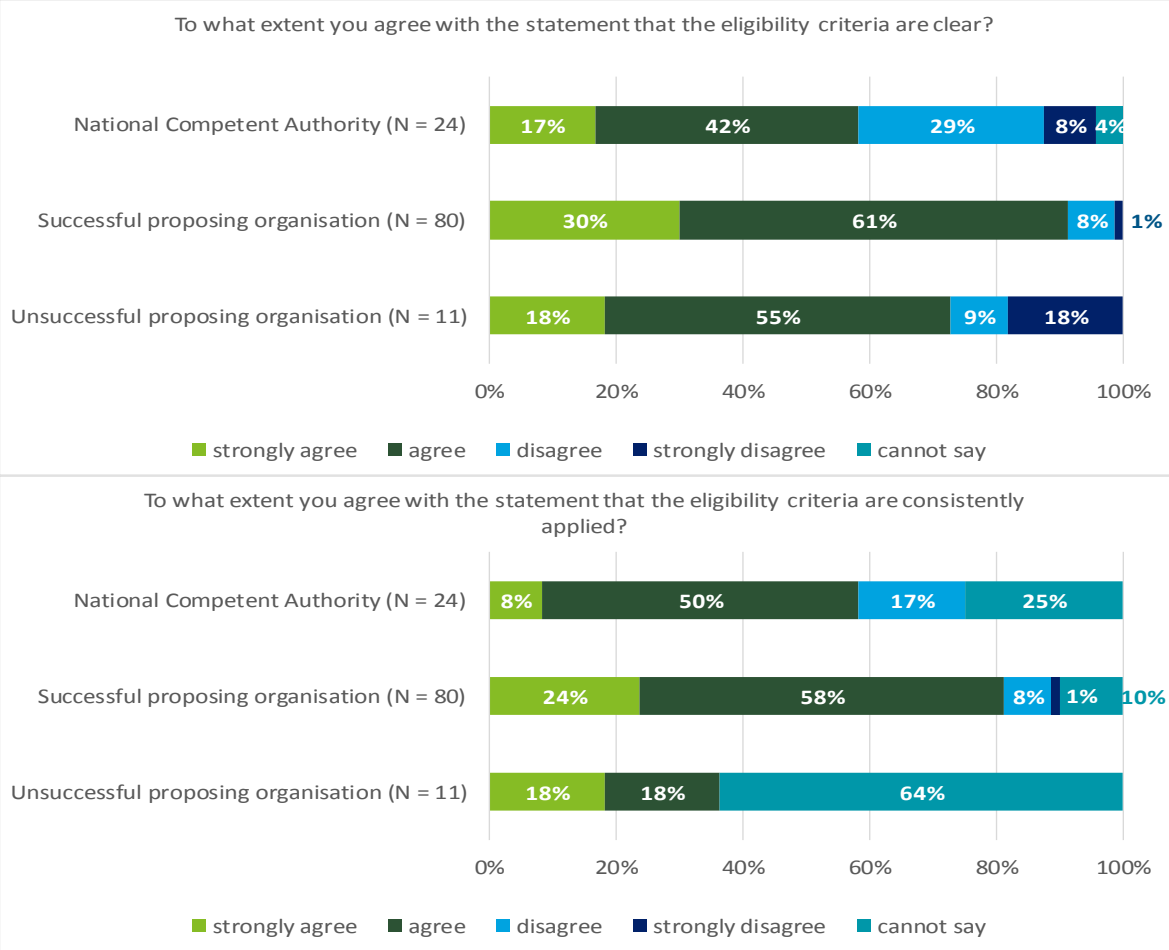
Apart from the time and resource constraints, several proposing organisations highlighted that they struggled to identify adequate progress indicators to include in their proposals. While a list of standardised award criteria and evaluation indicators is provided, these were described by interviewees as very high-level and impact focused. Stakeholders suggested that a standard list of indicators, preferably organised according to the different types of activities that are carried out in the programmes,

would help to improve both efficiency and coherence in terms of programme management globally. NCAs highlighted that at the moment progress indicators in simple programmes are not used in a consistent way in different countries and expressed a preference for a harmonised list. This would save time for applicants when identifying and selecting process indicators at the proposal stage.

Selection process (eligibility criteria and award criteria)

As highlighted in EQ2, there is a downward trend in the number of ineligible proposals, which have declined in the period 2016-2019 for both simple and multi programmes. This trend can be linked to the fact that most of the NCAs and proposing organisations who responded to the survey seem to believe that the eligibility criteria are clear (Figure 26). Moreover, case study interviewees also understood the eligibility criteria. However, case study evidence and stakeholder interviews suggested that the eligibility criteria could be more flexible in order to allow smaller organisations to apply for funding.

Figure 26: Clarity and consistent application of the eligibility criteria



Source: Online survey of proposing organisations and IB

Proposal data provides limited understanding of the quality of proposals and level of competition among proposing organisations. However, commentary from in-depth interviews and case studies provides greater insight into the quality of proposals submitted. All external evaluators interviewed strongly agreed that the quality of proposals submitted is rising year-on-year and reported their satisfaction with the standards of proposals in general. In the same vein, proposing organisations, particularly these that have applied more than once, believe that they submitted much

'stronger' proposals during their second application, building on previous experience and having already familiarised themselves with the process.

However, some concerns were raised by stakeholders when it comes to the award process; and how the award criteria are being applied. According to some stakeholders, there should be greater transparency regarding how proposals are selected and the weight of each criterion. The selection process is described in the Annual Work Programmes (AWP); however, some stakeholders highlighted a need for further clarity on how the award criteria were being used when selecting successful proposals. It is possible that this may be linked to a non-comprehensive reading of the AWP or a misunderstanding of the information included in them.

Moreover, case study evidence suggest that feedback received on unsuccessful applications does not provide much detail on how the assessment was carried out and why proposals did not meet the concrete requirements, making it difficult to apply learning in future applications. Providing more detailed feedback to unsuccessful applicants might decrease the time and resources spent by organisations which want to apply for future rounds of funding. Related to these requirements, one interviewee mentioned that the criteria on return on investment and EU dimension are the most difficult to fulfil. Case study interviewees also mentioned that it was difficult to forecast the return on investment of activities that they would carry out in a period of three years.

SUMMARY

In summary, evidence collected suggests that the application process is work-intensive for applicants (with some organisations hiring external consultants to help them prepare and submit the proposals), however applicants are clear on the eligibility criteria and deemed it quite efficient. The survey showed that there is a downward trend in the number of ineligible proposals in the period 2016-2019 for both programmes, and interviewees mentioned the eligibility criteria were clear and that the time required to complete the application process does decrease after applying for funding several times. It must be stated, however, that although it has decreased ineligibility remains at 10%, so further improvements could still be made.

On the award criteria, stakeholders requested more clarity and transparency regarding how proposals are awarded. However, they reported that applying for funding and drafting proposals fitting to the award criteria becomes easier after having applied a couple of times, implying that increased exposure to and experience of the application procedure increases familiarity with the process.

However, there are significant differences in the level of guidance and support provided to proposing organisations by NCAs during the application process. This could potentially be overcome to some extent by more opportunities for knowledge sharing.

5.4. Efficiency of the rules applied by MS concerning the procedure for the selection of implementing bodies

Subquestion3.3: To what extent were the rules applied by MS concerning the procedure for the selection of implementing bodies efficient?

COVERAGE OF SUB-QUESTION

To answer this sub-question, the following judgement criteria were looked at:

- Differences in how the rules are interpreted and applied by different MS, and reasons;
- Extent to which proposing organisations find the procedure for selection of implementing bodies efficient, and;
- Issues, problems, effects of the procedure for selecting implementing bodies in the context of specific campaigns / measures.

The assessment of the three judgement criteria is based on the information collected in the online survey, interviews and case study interviews.

PRESENTATION AND ANALYSIS OF EVIDENCE

Both survey and case study feedback suggest that the perceptions of the efficiency of the rules applied by Member States concerning the selection of implementing bodies appears to differ significantly by Member State. In accordance with Article 13 of Regulation 1144/2014, the selection of implementing bodies for the simple programmes is required to be carried out using a 'competitive procedure'. Proposing organisation-coordinators from different countries reported different levels of stringency in the interpretation of this requirement, however. This may reflect an inconsistent use of the guidance provided by CHAFEA on the competitive procedure[212] or even a lack of awareness regarding the existence of the document. Implementing organisations interviewed for the case studies also report noticeable difference in the rules for the selection of implementing bodies between simple and multi programmes, suggesting differences in interpretation between CHAFEA and the Member States.

Proposing organisation-coordinators from all MS reported that the procedure for selecting implementing bodies was very work-intensive and therefore expensive, although they did agree that the process was both transparent and fair in terms of the final selection of implementing bodies. It can be expected that over time, familiarity with the process would decrease the associated workload (and indeed, this was reported by proposing organisation-coordinators and implementing organisations who had worked on multiple campaigns). Additionally, the introduction of standard procedures should provide a more level playing field for new participants to access this process. However, given the difference in rules applied by MS according to their national laws and the interpretation of rules by NCAs (for simple programmes) and by CHAFEA (for multi programmes), this increased efficiency over time only works if the proposing organisation-coordinators and implementing bodies are working on consecutive programmes, and therefore have continued exposure to the programmes and are able to gain familiarity with the different rules and requirements. This could therefore also be perceived as giving an unfair advantage to 'old hands'.

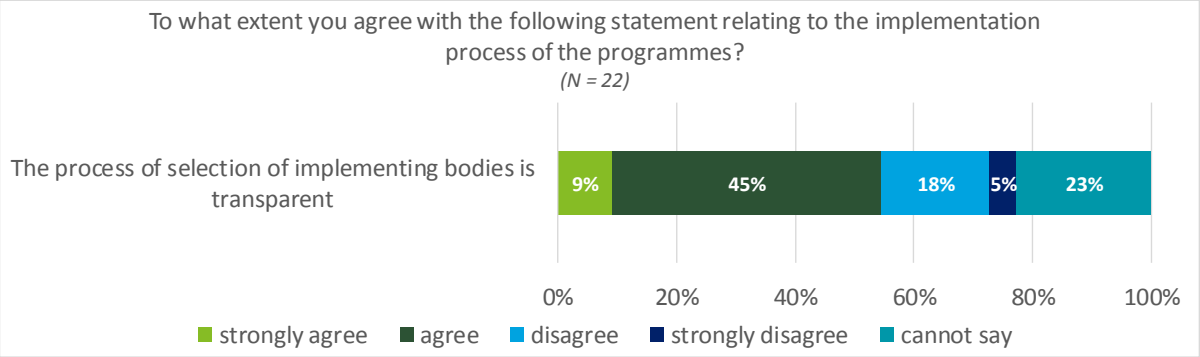
In the survey carried out for this evaluation, NCAs were asked to assess the transparency of the process of selection of implementing bodies. As Figure 27 shows,

[212] Presentation by DG Agriculture and Rural Development European Commission of the new promotion policy guidance on competitive procedure, 9 June 2016, *see* here.

slightly more than half of all respondents agreed that the process of selecting an implementing body is transparent. The distribution of responses does not show any specific link between the type of programme implemented or the country of origin and the tendency to agree or disagree. The five NCAs that either strongly disagreed or disagreed with the transparency of the selection process represent both small and large Member States, but all of them are located in the Central and Northern part of the Union.

Overall, it appears that NCAs have mixed opinions on the transparency of the selection process, which supports the case study feedback that there is a lack of common rules and understanding regarding this procedure.

Figure 27: Selection of implementing bodies



Source: Online survey of NCA

SUMMARY

In summary, evidence suggests that the procedure for selecting implementing bodies was very work-intensive and therefore expensive, although the process seems transparent and fair, as measured by the final selection of implementing bodies. Feedback from interviews and case study research shows that proposing organisation coordinators invest significant time in understanding and complying with rules for selecting implementing bodies, in simple programmes particularly.

However, there are differences in the rules applied by MS (both according their national laws, but also in the level of strictness with which certain requirements are implemented), which directly affects the efficiency of the selection process. Rules related to the selecting of implementing bodies appear to be applied more strictly for simple programmes than multi programmes.

5.5. Efficiency of the Commission own initiatives

Subquestion3.4: To what extent were the Commission own initiative promotion actions efficient?

COVERAGE OF SUB-QUESTION

To answer this sub-question, the following judgement criteria were used:

- Unit cost of Commission missions, pavilions, seminars per participant / visitor / article etc;
- Extent to which stakeholders perceive additional value from the Commission own initiatives, and;

- Issues, problems, effects of specific Commission initiatives and the way they were carried out.

Commission own initiatives cover two types of activities: technical support provided to those delivering the programmes (for example, webinars, matchmaking sessions and the creation of information videos) and promotional activities, such as trade fairs and high-level missions (HLMs). There is limited information from the in-depth interviews and no information from the surveys on the efficiency of the latter (own initiative promotion actions) and very little information available from the case studies. Only one case study included analysis of a Commission own initiative (Case Study 2: Cheese in China), and this analysis is limited to stakeholder perceptions regarding the added value of HLMs and trade fairs in China. This section therefore relies primarily on a review of the reports provided by implementing organisations contracted to implement the different services, as well as some anecdotal feedback from the interviews carried out for Case study 2 (export of dairy products to China) and an interview with CHAFEA.

PRESENTATION AND ANALYSIS OF EVIDENCE

As a general rule, the contractors reports submitted to CHAFEA following the different events as well as CHAFEA's Staff Working Paper on HLM (2016-2018) suggest that efficiency of implementation related to Commission own initiatives relies on clear communication with the contracting authority both in advance of the activities being implemented and during the implementation itself, combined with clear briefing of staff responsible for ensuring activities are implemented smoothly. The ability to redeploy staff swiftly in the event of schedule or location changes also seems to be a significant factor in terms of the successful implementation of HLMs and trade fairs, although this has clear implications for efficiency in terms of increased human resources.

Feedback from the HLM and trade fair reports, particularly, points to a number of barriers in terms of last-minute schedule changes (both instigated by the EU representatives and by the third country organisers) and the need to build in a certain amount of flexibility to respond to this. In one situation, for example, staff had to be deployed to wait for guests in the hotel foyer and to post information under the doors of guests' hotel rooms in order to inform them of a last-minute change of venue. In another, implementing agencies were prevented from scheduling press interviews in advance (despite requests from journalists to do so) and were unsure until very late in the day if the EU Commissioner would be available for interviews with the press. Having enough resources and well-briefed personnel who are able to react quickly, as in the example mentioned above, could contribute to the extent these unexpected situations, which are difficult to prevent in events of this nature, are handled in an efficient manner.

Sometimes, delays in sign-off had an impact on the efficiency of implementation and overall effectiveness. In one instance, the Contracting Authority delayed the approval of a communication platform set up by the Contractor to facilitate an HLM, which meant that some IT issues emerged when used instead of being resolved prior to roll-out. In other cases, the same platform was not properly used by participants, which meant that the Contractor received lots of direct messages with questions that could have been answered simply by reading platform content. CHAFEA did acknowledge some delays in signing off different activities, mainly linked to the internal rules and processes that need to be followed to approve these. Moreover, CHAFEA also highlighted that the short time contractors had to implement HLM and trade fair service influences how effectively and efficiently the HLM and trade fair service were implemented. Examples were given of occasions when the Contracting Authority sent requests for services to plan and deliver HLM and trade fair service only three months

in advance, and most of this time was spent on internal controls to sign service contracts and approve activities which limited the time to deliver HLMs and trade fairs.

There is limited information available regarding the efficiency of technical support provision, with no feedback from the case studies and survey. The main source of information is a report produced by the implementing organisation for a series of technical support activities (including promotional videos, webinars etc.) that were organised by an external contractor and one interview with CHAFEA. CHAFEA reports that the majority of webinars were organised in-house by CHAFEA staff, and that these were well received by stakeholders. With regard to the activities organised by the external contractor, although these were by and large successful, there were difficulties in the delivery of the webinars, with a number of restrictions on the choice of speakers (e.g. conflict of interest, the importance of upholding CHAFEA's impartiality) which led to two of the four contracted webinars being cancelled. On the other hand, it was reported by CHAFEA that the speakers and topics proposed by contractors for the webinars were not up to the standard CHAFEA would have hoped and it took too long for acceptable alternative proposals to be put forward. CHAFEA reported having provided the contractors with suggestions for webinar speakers and topics, but contractors did sometimes not have capacity to deliver against these suggestions. Thus, several webinars were cancelled. Even though some webinars were cancelled, the quality and range of webinars organised via CHAFEA's website obtained good feedback according to CHAFEA.

Interviews carried out as part of Case Study 2 (Cheese in China) show that stakeholders perceive high-level missions and trade fairs as providing significant additional value. Both trade fairs and high-level missions were reported by stakeholders interviewed for the case study as an important method for increasing the visibility of European agricultural products and strengthening business ties with buyers within the target market. Stakeholders mentioned a desire both for a greater number of such events and for high-level missions to broaden their geographical scope.[213] This feedback suggests that such initiatives are highly valued by stakeholders. Interview feedback and reports by implementing organisations suggested that, in terms of value for money, the presence of the EU Commissioner was perceived as particularly important for generating increased return on investment.[214]

A review of the reporting by implementing organisations also underscores the value of the Commissioner's presence, although last minute schedule changes, cancellations (some linked to scheduling changes and some to the ever-shifting political context) and vetoes on specific decisions regarding, for example, pre-agreed interviews, seems to have had a significant impact on efficiency in terms of the staff time required to organise such events.

Table 26 provides an overview of the budget, estimated cost per participant and estimated value of media coverage for each event. This table represents a synthesis of the information provided in the monitoring reports for the different events.

[213] In China, it was mentioned that missions so far had focused on Beijing and Shanghai and that there was scope to visit other important cities which also demonstrated significant potential for market growth.

[214] According to the Commission's Staff Working Paper on HLM 2016-2018, Commissioner Hogan attended six HLMs over this period. While his exact number of appearances at Trade Fairs is harder to gauge, a number of these were timed to coincide with his visits and his involvement in at least one opening ceremony is documented.

Table 26: Overview of budget, estimated cost per participant and estimated value of media coverage for each event

Event Type	Event	Budget (€)	Est. no. participants	Cost per person (€)	Est. reach and/or value of media coverage (€ or number of articles)
Trade Fair	SIAL CANADA 2017	260 572	15 000 **Note:** The number refers to the total number of visitors to SIAL Canada 2017.	17	Total reach 2 307 057 19 articles **Note:** Figures consider both SIAL and the HLM.
Trade Fair	SIAL Shanghai / CHINA 2018	514 162	10 000	51.42	Total reach 1 1575 922 79 articles **Note:** Figure includes also media coverage of HLM to China 2018.
Trade Fair	CIIE Shanghai/ CHINA 2018	548 345	800 000 **Note**: Figure refers to total visitors to the CIIE.	0.69	Total reach 70 000 000 51 news reports (1 print article, 6 stories in video portals, 2 broadcast media reports, 42 reports from news portal)
Trade Fair	GULFOOD Dubai 2019	Approx. 480 000	93 000 **Note:** Number of participants refers to visitors to the fair.	5	Total reach 7 605 322 54 publications PR value: €114 002 90
Trade Fair	FOODEX Japan 2019	520 756	7 370[215]	71	Total reach 10 957 878 2 news reports on TV, 6 news reports on newspapers, 19 online news reports, 1 interview with DG Plewa.

[215] Daily estimate for each of the activities which took place at the stand.

Event Type	Event	Budget (€)	Est. no. participants	Cost per person (€)	Est. reach and/or value of media coverage (€ or number of articles)
Trade Fair	ALIMENTARIA Mexico 2019	529 533	25 000	21	Total reach: 96 069 085 Number of coverage: 55 PR value: €101 820
SPS Seminar	SOUTH KOREA 2018	203 923	565 **Note:** The figure refers to the total number of participants across the various events held as part of the SPS Seminar.	361	Total reach: 7 436 463[216] 19 articles which all had a positive tone (above target)
SPS Seminar	IRAN 2018	475 859	570	835	N/A
SPS Seminar	MEXICO 2019	302 445	377 **Note:** The figure only accounts for participants in the panel sessions.	802	36 articles with an estimated ROI of €42 553 and 101 382 737 followers
Seminar	GI Singapore 2019	214 408	173	1 239.35	45 number of media coverage Number of prints:1 Number of online: 4 Number TV interview: 1 Number of Social Media: 39
SPS Seminar	INDIA 2019	270 652	240 **Note:** The figure only accounts for participants in the panel sessions.	1 128	Total reach: 201 339 539[217] 44 articles, PR value: €31 390

[216] The figure refers to potential/average reach of blog posts, Instagram posts, and magazines.
[217] The figure refers to estimated readership.

Event Type	Event	Budget (€)	Est. no. participants	Cost per person (€)	Est. reach and/or value of media coverage (€ or number of articles)
SPS Seminar	COLOMBIA 2019	324 142	146	2 220.15	40 articles PR value: €218 116
HLM	Vietnam / Singapore / Indonesia 2016	673 923	52	12 960	**Vietnam:** 109 clippings, PR value €71 698 **Singapore:** 10 clippings, PR value: €58 000 **Indonesia:** 14 clippings and 1 TV interview PR value: €84 544
HLM	Canada 2017	298 302	59	5 056	Total reach: 2 307 057 19 publications **Note:** the number is for the trade fair and HLM
HLM	Iran 2017	492 182 (Iran and KSA)	42	11 719[218]	44 articles
HLM	KSA 2017	492 182 (Iran and KSA)	44	11 186[219]	11 articles
HLM	China 2018	539 854	59	9 150	Total reach: 11 575 922 79 articles **Note:** Figure also includes

[218] The total budget for HLMs to Iran and KSA has been divided by the total number of unique participants to both missions (32 participants to both missions, 12 only to KSA, 10 only to Iran).

[219] The total budget for HLMs to Iran and KSA has been divided by the total number of unique participants to each missions (32 participants to both missions, 12 only to KSA, 10 only to Iran so assumed 42 participants to Iran and 44 to KSA) – as we do not know how much of the budget was allocated to each mission, this helps provide a loose estimation of the cost per person but should not be viewed as definitive. Source: Final Technical Report for the High Level Mission to Saudi Arabia and Iran 2017.

Event Type	Event	Budget (€)	Est. no. participants	Cost per person (€)	Est. reach and/or value of media coverage (€ or number of articles)
					media coverage of SIAL China 2018.
HLM	Dubai 2019	278 023	58	4 794	PR value: €120 469
HLM	Japan 2019	359 027	63	5 699	N/A
Continuation of promo activities in Japan (tastings)	Japan 2019	1 700 000	62 300	27 29	Total reach: 65 910[220] PR value: €983 000

Source: Own elaboration based on data shared by DG AGRI and CHAFEA

The table underlines some of the difficulties in comparing the different Commission own initiatives. This is in part due to the differing nature of the events. For example, the cost per head differs significantly, but this can be traced partly to differences in the methods used for calculating the number of participants at different events as well as the differences in objectives of – for example – HLMs and trade fairs. Additionally, PR value is calculated in different ways: in some cases, an estimation of the PR value achieved is provided in €[221]; in other cases, the number and types of articles is given, which gives some indication as to the potential differential value of different articles; in other cases again, a high level estimate of the 'number of articles' is provided, but no detail on the type of article or the range/value of readership. In order to carry out a meaningful assessment of the efficiency of these activities, it would be useful to develop standardised approaches to measuring participation and media coverage that is comparable between events.

[220] Figures take into account combined reach of dedicated advertising on Instagram, Facebook, and media buying.
[221] The PR value is calculated by media companies, it stands for the value of space in magazines and other spaces.

SUMMARY

In summary, evidence suggests that there are some areas for improvement in terms of the efficiency of implementation of promotional activities and technical support. Clearer communication between the contracting authority and sub-contractor around expectations of speakers and any preferences may help to prevent future issues in delivery of technical and promotional support (such as the need to cancel webinars).

HLM and trade fair reports evidence suggest that these have been implemented in an efficient manner, with clear examples of contractors using their initiative to overcome certain barriers, particularly last-minute schedule changes which are to some extent par for the course with this type of event. Nonetheless, delays to approval processes have been raised as one area which could help provide more time for organisation and implementation.

It is also important to note that there is limited information to assess all efficiency aspects related to the Commission initiatives (e.g. different methods for calculating number of participants and the use of different metrics such as 'PR value' and 'number of articles' to measure the value of media coverage means that there is no comparable cost data of HLM and trade fair events).

5.6. Efficiency of possibility for organisations to submit several programmes in several topics

Subquestion3.5: To what extent does the possibility for organisations to apply for several programmes affect the efficiency of the European agricultural promotion policy?

COVERAGE OF SUB-QUESTION

To answer this sub-question, the following judgement criteria were looked at:

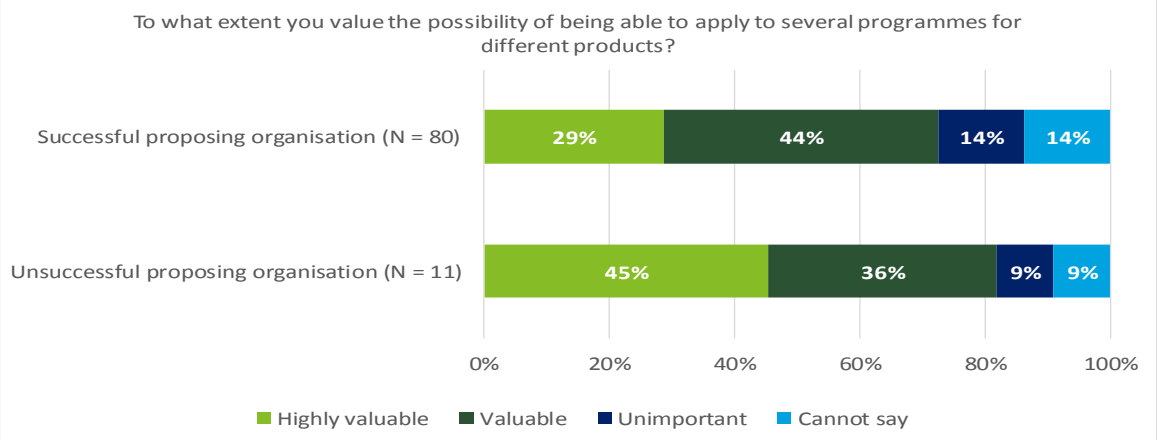
- Take-up of the possibility for organisations to submit several applications;
- Extent to which proposing organisations value the ability to submit applications for several programmes and how it has contributed to the efficiency of the application and management process and;
- Other aspects related to multiple submissions.

The assessment of the three judgement criteria is based on information collected from the document and data review, online survey and interviews.

PRESENTATION AND ANALYSIS OF EVIDENCE

Under the current regulation, organisations are able to submit several proposals for different programmes across different topics. Online survey results suggest that this is welcomed by the vast majority of proposing organisation-coordinators, who described the possibility to apply for several programmes for different projects as 'valuable' or 'highly valuable' (see Figure 28 below). Perhaps unsurprisingly, this is particularly true for unsuccessful proposing organisations. Controlling for the results for the type of programme to which the proposing organisations applied, there is a slight difference across Simple and Multi programmes. Whilst 20% of the successful proposing organisations who implemented simple programmes that participated in the survey find this opportunity to be unimportant, the same is true for respondents who implemented multi programmes (even considering the lower proportion of respondents).

Figure 28: Assessment of the possibility to apply to several programmes for different products (as per survey question)



Source: Online survey of proposing organisations and IB

When considering proposals, evaluators are prevented from taking into account whether applicants have submitted multiple applications. One evaluator raised a concern regarding the issue of resourcing in the event that multiple proposals are accepted from one proposing organisation-Coordinator. However, this fear of resource constraints was not borne out by feedback from proposing organisation-Coordinators.

In the case study interviews, proposing organisation-Coordinators and implementing bodies anecdotally reported working across multiple projects funded under the EU Agricultural Promotion Policy. None, however, reported difficulties related to resourcing of these projects. This may in part be explained by the feedback from proposing organisation-Coordinators and implementing agencies that the workload associated with EU-funded projects, particularly with regard to the administrative burden, decreased with familiarity, suggesting that there may be some scope for efficiencies if working on multiple projects by applying the learning from one project to another. Proposing organisation-coordinators managing several programmes described how working on several programmes enabled them to make efficiency gains by applying learning between programmes, in areas such as administrative processes. Moreover, some proposing organisation-Coordinators and implementing agencies, that applied for funding unsuccessfully in the past, stated that they learnt from feedback received which allowed them to work on proposals more efficiently afterwards.

A number of the proposing organisation-coordinators who were managing multiple projects worked on a mixture of multi and simple programmes. In these instances, they reported differences in the administrative burden between the different types of programme (the question of which type of programme represented a higher administrative burden varied between countries, suggesting a lack of uniformity in the application of rules by different NCAs). This is covered in more detail under efficiency and coherence.

SUMMARY

In summary, evidence suggests that stakeholders welcomed the possibility to apply for several programmes as it increased their familiarity with the application process, and, in the case of previously unsuccessful applicants, allowed them to learn from feedback received as well as improving their knowledge of the application process.

proposing organisation coordinators and implementing agencies managing more than one programme believed that efficiency gains can be made in implementation by applying learning across programmes.

Survey responses from evaluators highlighted the potential for resourcing difficulties in the case that proposing organisations and IBs get funding for several projects at the same time. However, this fear of resource constraints was not borne out by feedback from proposing organisation-Coordinators.

6. ASSESSMENT OF RELEVANCE

This section presents the assessment of relevance.

6.1. Introduction

Evaluation Question 4: To what extent is the promotion policy relevant?

COVERAGE OF QUESTION

The question to be answered – to what extent has the promotion policy been relevant – is divided in four sub-questions (see below).

- Sub-question 4.1: To what extent have the general and specific objectives of the policy been relevant?
- Sub-question 4.2: To what extent is the Annual Working Programme (AWP) relevant to achieve the objectives of the policy?
- Sub-question 4.3: To what extent are the own initiative actions by the Commission relevant?
- Sub-question 4.4: To what extent is the signature 'Enjoy! It's from Europe!' on the internal market and in third countries relevant?

This evaluation questions analyses the extent to which the promotion policy's general and specific objectives are in line with the most pressing needs and problems facing the EU agricultural sector today. Moreover, the sub-questions draw attention to the relevance of a number of specific aspects of the evaluation, such as the priorities set via the Annual Work Programmes (AWPs), the Commission own initiatives and the signature 'Enjoy! It's from Europe!'.

The answers to the sub-questions are based on desk research complemented by the data gathered through interviews, online surveys, and case studies. While attention will be given to results from the online surveys and in-depth interviews, which focus primarily on stakeholder views and opinions, since it is their needs and problems that are meant to be addressed in this section, the starting point is always what can be gleaned from desk research. Indeed, the analysis is complemented by specific examples and set within the broader context in which the policy is implemented.

6.2. Relevance of general and specific objectives of the policy

Sub-question 4.1: To what extent have the general and specific objectives of the policy been relevant?

COVERAGE OF SUB-QUESTION

To answer this sub-question on the extent to which the general and specific objectives of the policy have been relevant, the following judgement criteria are looked at:

- Extent to which stakeholders find the policy's objectives are in line with the sector's needs and are defined clearly;
- Recent (market/policy) developments that have increased or decreased the relevance of certain objectives.

In this section the evidence collected in relation to stakeholders' perceptions on the relevance of the general and specific objectives of the policy is analysed first. A thorough assessment is then provided of recent market and policy developments that

have had an impact on the policy's relevance before the evidence for the final judgement is triangulated.

BACKGROUND

Please refer to the background section on effectiveness for a detailed description of the general and specific objectives of the promotion policy.

To better understand the analysis of the specific objective 'Restore normal market conditions', the following points should be noted. The European Commission has put in place a system of measures to avoid market disturbance. Their aim is to stabilise the agricultural markets, avoid the intensification of market crises and support EU agricultural sectors to best adjust to market changes[222]. These measures are included in the Common Market Organisation regulation (CMO), the underlying framework for the EU agricultural work within the Single Market[223]. The document defines the concept of 'market disturbance[224]' and lists examples of serious market disturbances such as a significant drop in consumption or in prices of products, which can be attributed to a loss in consumer confidence due to public health or animal or plant health risks (e.g. during the Avian Flu crisis of 2006)[225].

PRESENTATION AND ANALYSIS OF EVIDENCE

Extent to which stakeholders find the policy's objectives in line with their needs

The main source of information for answering the first part of this evaluation sub-question are results from the online survey, as they provide a comprehensive overview of the extent to which stakeholders perceive the promotion policy as relevant. These results were complemented by in-depth interviews and examples from case studies, to the extent possible.

Overall, an overwhelming majority of both successful and unsuccessful proposing organisations and every IB that could answer the question, find that the EU's Agricultural promotion policy is relevant (see Figure 29). It is worth noting that the share of successful proposing organisations and IBs that 'strongly agree' with this statement is considerably higher (44% and 49% respectively) than the share of unsuccessful proposing organisations who do so (1 organisation, representing 9% of total respondents[226]).

[222] European Commission, DG AGRI, 'Markets measures explained'. Available here.

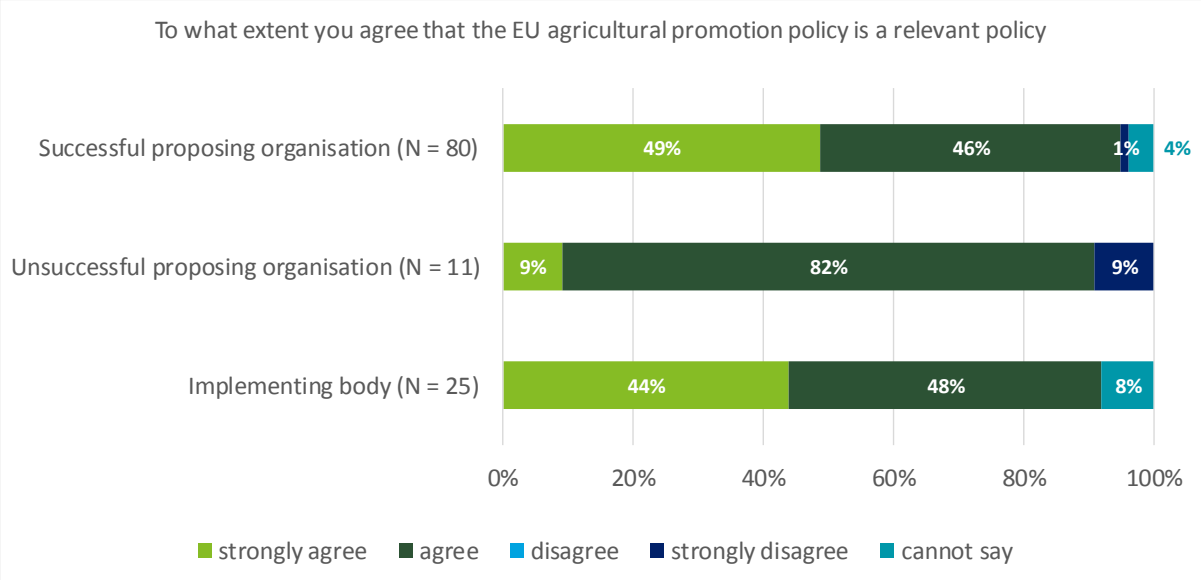
[223] REGULATION (EU) No 1308/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007. Available here.

[224] See: Paragraph 1 of the Article 219 of the 'CMO' regulation' (Reg. (EU) No 1308/2013.

[225] Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007, Part V. Available here

[226] This result should however be treated with caution given the low number of respondents and therefore cannot be considered as representative.

Figure 29: Assessment of the relevance of the EU's agricultural policy according to proposing organisations and IB



Source: Online survey of proposing organisations and IB

These outcomes are supported by the results of the case studies and in-depth interviews. In both cases, stakeholders have an overall positive opinion on the relevance of the EU's agricultural promotion policy. There is a consensus that the general and specific objectives of the policy are and remain relevant to stakeholder needs. The case studies highlighted that promotion programmes targeting third countries are particularly relevant to the specific objectives of increasing awareness and improving consumer perceptions in relation to the quality of the products promoted. This is because promotion programmes give producers greater visibility and a European dimension that highly benefit them when introducing or promoting specific products. This is especially true for products that are relatively new to a targeted market or for smaller producers entering a third market for the first time.

Moreover, as highlighted in the case study of European meats, the promotion policy becomes even more relevant for products which have benefitted from multiple rounds of funding. Stakeholders mention that several years of promotion are linked to an increased association of the products by end-users with 'high quality' and a better understanding of the origin of products and their fabrication methods. This is also reflected during in-depth interviews where stakeholder stress the importance of having promotion programmes that last for longer than three years or are renewed at the end of the promotion programme. It is believed that such a longer period is needed for producers and end-consumers to fully benefit from the promotion programmes, especially in third countries.

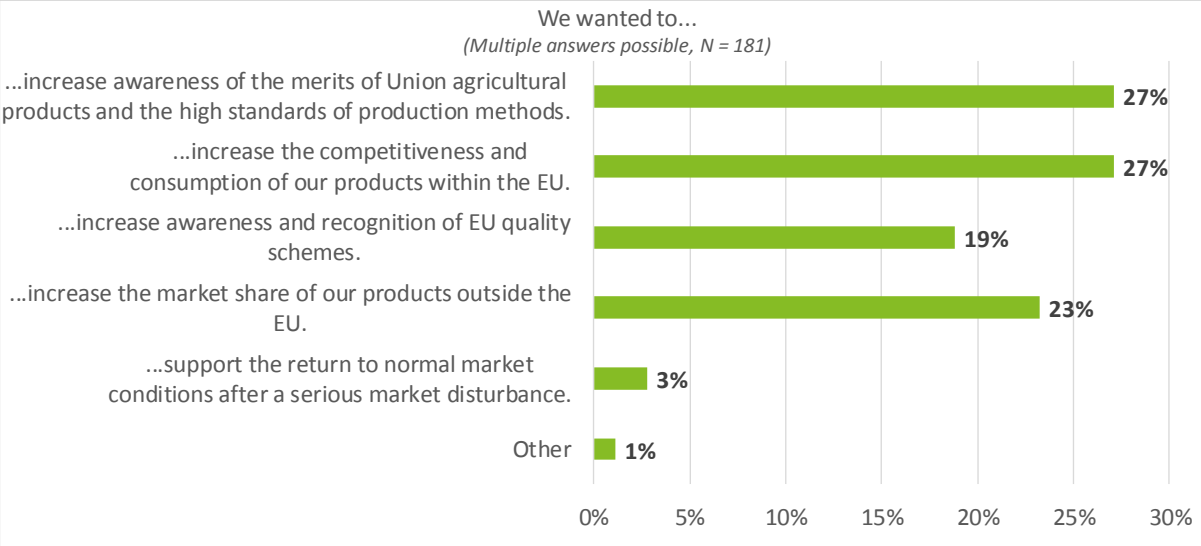
When further assessing whether the general and specific objectives of the policy match stakeholder needs, survey results show positive trends. Survey respondents were asked to list the main reasons for submitting a proposal. As one of the main indicators for assessing the relevance of a policy is whether it is aligned with the needs of stakeholders, this question could give an indication of the extent to which the EU's agricultural promotion policy is successful in doing so. Most organisations selected at least two options, suggesting there is rarely only one sole reason for applying.

Figure 30 shows that the most common reasons for applying to the promotion programmes, and therefore the policy objectives most relevant to stakeholder needs are:

- Increase awareness of the merits of Union agricultural products and the high standards of production methods (27%);
- Increase the competitiveness and consumption of European agricultural products within the EU (27%);
- Increase the market share of European agricultural products outside of the EU (23%).

These reasons are relevant to stakeholder needs and the objectives of the promotion policy. Reflecting the survey results, stakeholders interviewed highlight a growing demand for organic products amongst consumers both in the internal market and in third countries. The case study on European fruits and vegetables in the United Arab Emirates is one example of such trends. Results from the case study show a sharp rise in the appeal of organic products (such as fruits and vegetables) in the region due to raising consciousness of healthy eating habits amongst the population. The consumption of fruits and vegetables is also highly promoted in the internal market (ref. latest AWPs from 2018 and 2019[227]), where healthy habits are being promoted in the EU, by member states, NGOs, the School Fruit Scheme[228] and industry influencers and celebrities.

Figure 30: Main reasons for submitting a proposal according to proposing organisations



Source: Online survey of proposing organisations

Only five stakeholders, representing 3% of the total respondents mentioned they applied to the promotion programmes linked to the specific objective to support the return to normal market conditions after a serious market disturbance (Figure 30). As noted above these programmes may face difficulties responding fast enough to benefit companies who lose a market. These replies should be considered with caution as no calls for market disturbance were issued in the period under evaluation.

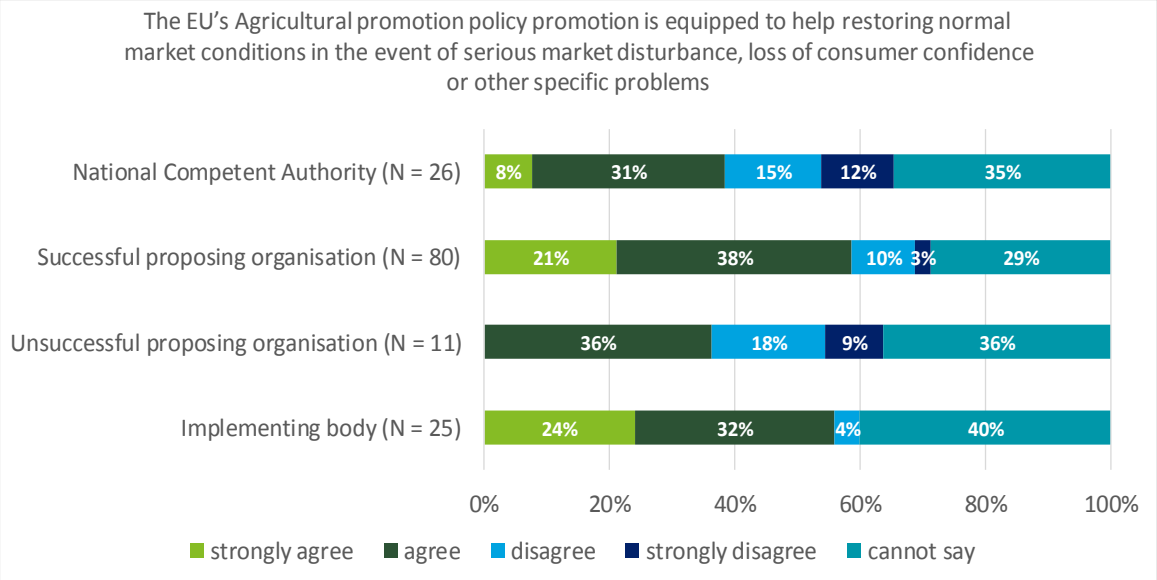
Various stakeholders interviewed at EU level and not directly responsible for the management of the EU's agricultural promotion policy underlined a number of

[227] AWPs 2018 and 2019.
[228] European Commission, DG AGRI, 'School fruit, vegetables and milk scheme'. Available here.

limitations of the specific objective to address market conditions. First, it is not possible to specify in advance a detailed explanation of what constitutes a serious market disturbance, as they all greatly differ (from diseases to climate/weather risks, political changes, trade disputes, etc.). Indeed, it is not always easy to adapt or change a programme in the middle of the year due to a market disturbance, especially if the strategic priorities of the AWP are set at the beginning of the year. Second, if market disturbances happen, companies need help relatively quickly and most likely cannot afford to wait for new programmes to be developed, approved and begin operating as the response will be too slow for their needs. Third, some market disturbances are quite short-term or can change rapidly and companies may risk failure unless they directly take action in the short term themselves. Therefore, when a market disturbance takes place, proposing organisations will tend to redirect their focus on other markets – free from disturbances – which can lead to higher returns on investment. Proposing organisations interviewed confirmed this, to the extent that it is allowed by the programme managing authority.

These findings remain hypothetical as no measures to help restoring normal market conditions after serious market disturbance was implemented in the reference period.

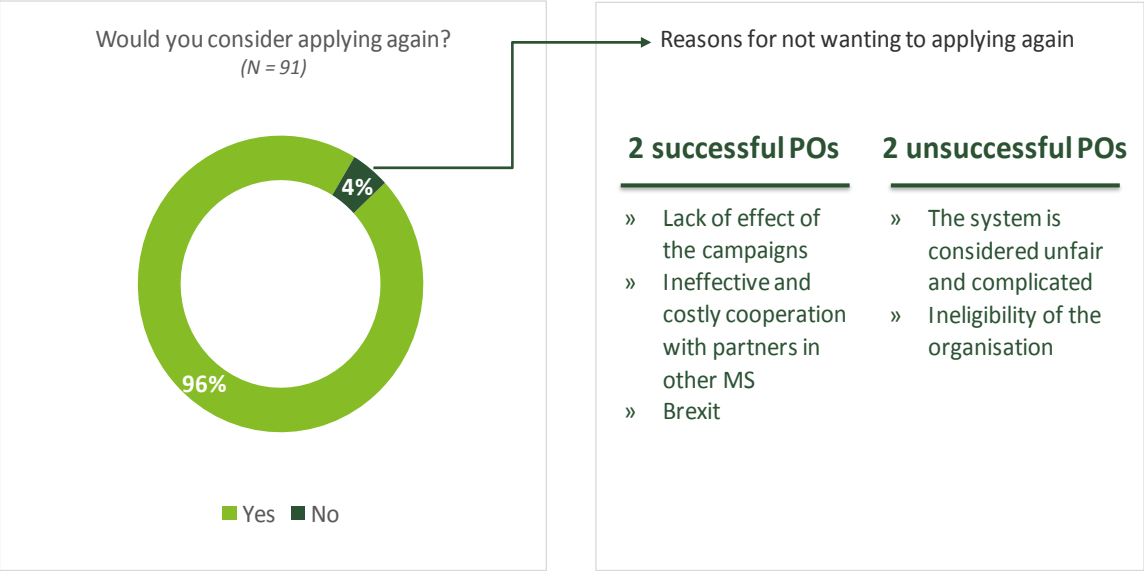
Figure 31: Helpfulness of the EU's agricultural promotion policy in restoring normal market conditions



Source: Online survey of proposing organisations and IB, Online survey of NCAs

The willingness to continue participating in the promotion programmes is another indicator for the overall relevance of the EU's agricultural promotion policy. Figure 32 below shows that almost all proposing organisations would consider applying again. Only four organisations would not do so (of which two successful and two unsuccessful proposing organisations). The reasons for not wanting to apply again differ. The unsuccessful proposing organisations mentioned the ineligibility of the organisations whilst the successful proposing organisations listed the lack of effects from the promotion activities and bad coordination between the different Member States as their main reasons. The latter aspect was brought up in several in-depth interviews, in which stakeholders lamented NCAs' poor management of Simple programmes, their different interpretation of the rules and therefore understanding of the promotion policy. Overall though, when triangulating survey results with stakeholder interviews, most proposing organisations would recommend participating in promotion programmes to other proposing organisations and would apply again themselves, evidencing the relevance of the promotion policy amongst this stakeholder group.

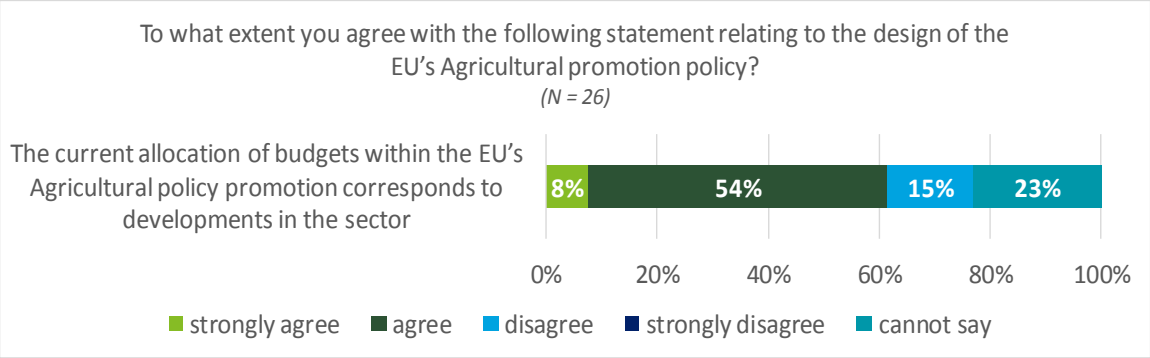
Figure 32: Willingness of proposing organisations to apply again



Source: Online survey of proposing organisations

Finally, the extent to which the allocation and distribution of the budget correspond to developments in the agricultural sector is another indicator that helps in assessing the overall relevance of the EU's agricultural promotion policy. Figure 33 shows that 62% of the NCAs strongly agree and agree the current allocation of budgets match developments in the sector. Four out of 26 NCAs (representing 15% of the respondents) disagree with this statement. Three of them have experience with both simple and multi programmes, whilst one has indicated that only simple programmes were implemented in their Member State. Six NCAs (representing 23% respondents) cannot answer the statement. This distribution does not point to a specific link between the type of programme implemented and the tendency to agree or not on the relevance of the promotion policy in contributing to developments in the agricultural sector.

Figure 33: Assessment of the extent to which the allocation of the budgets corresponds to the developments in the sector according to NCA



Source: Online survey of NCA

Recent market and policy developments that have increased or decreased the relevance of certain objective(s) of the EU's Agricultural promotion policy

First and foremost, an important development for the relevance of the promotion of European agricultural goods in both the European Union and third countries is the worldwide increase in the demand for agricultural goods[229]. This increase in demand is originated by two main factors. The first one being the ever-expanding world population, which results in a bigger potential market. Indeed, the world population grew from 7.426 billion in 2016 to 7.594 billion in 2018[230] and is estimated to grow to 8.5 billion by 2030 according to UN's[231]. The second factor is the rise of consumption per capita (especially in third countries), as income growth in developing countries and a change in consumer preferences boosts the consumption of agricultural products in general, with special attention for high-value products[232]. For instance, the FAO predicted that the global income per capita will increase by 65% by 2050 compared to 2012[233].

The combination of these trends creates opportunities for the European agricultural sector. This is particularly true for third countries markets, as a significant component of European exports to third countries are high-end refined agricultural commodities and processed foods (e.g. increase in exports of European dairy products to China and an increase of European beverages in general) [234]. The promotion of the EU quality schemes also plays a key role, as it depicts the properties and quality of agricultural products in third countries, where the demand for such goods is increasing[235]. For example, world per capita consumption of fresh dairy is expected to grow by 1% p.a. for the next ten years[236].

Despite these promising forecasts, the European agricultural industry was hit by important policy and market developments, which are detailed here to provide the context for the subsequent judgements made. The most significant impacts were felt as a result of the abolishment of the milk quotas, the Russian sanctions on certain EU agricultural products, sanctions from the United States in retaliation of the Airbus-aids and the debate surrounding climate and environmental change. Other events created opportunities for the EU agricultural industry, such as the outbreak of African Swine Fever in Asia and the China-US trade war. Additionally, Brexit also creates a lot of uncertainties for the European agricultural industry, as future development between the EU and UK are still unclear. The following paragraphs briefly discuss these major events and assess their impact on the European agricultural market and resulting relevance of the promotional policy.

The first major event that affected the European agricultural sector was the abolishment of milk quotas in 2015. Milk quotas were implemented in 1984, after a period of overproduction of milk and dairy products[237]. This system of quotas came to an end in 2015, allowing European dairy farmers to produce more milk and dairy products. The promotion policy paid a lot of attention to the promotion of dairy products in 2016 and 2017[238]. When looking at the results, it can be said that European farmers produced more milk after the abolishment of the quota (172.2

[229] EU Agricultural Markets Briefs. Available here.
[230] The World Bank, Population (total). Available here.
[231] UN, World Population Prospects 2019: Highlights. Available here.
[232] EU Agricultural Markets Briefs. Available here.
[233] Food and Agriculture Organisation of the UN, 'The Future of Food and Agriculture'. Available here.
[234] Case studies on dairy export to China and European meat and Eurostat, Extra-EU trade in agricultural good, available here.
[235] EU Agricultural Markets Briefs. Available here.
[236] OECD-FAO AGRICULTURAL OUTLOOK 2019-2028, 'Chapter 7: Dairy and dairy products'. Available here.
[237] European Commission, Food, farming and fishing. Available here.
[238] Sector targeted in the 2016 and 2017 AWPs.

million tons in 2018 compared to 164.8 million tons in 2014[239]), while the price for raw milk went down heavily in 2016 and 2017. DG AGRI took ad hoc measures to address this problem, creating a fund to reward farmers who voluntary decreased their milk production[240], although they were not related to the promotion policy.

The second episode shaking the European agricultural industry were the Russian sanctions installed in 2014 on a number of European agricultural products (e.g. milk and dairy products, vegetables, fresh pork, etc.). The sanctions heavily impact the trade with one of the EU's key partners[241]. The export of European agricultural products declined massively, by 42% in 2018 compared to 2012[242]. The promotion policy addressed the problems concerning the Russian sanctions and implemented special programmes aimed at the affected commodities following the instalment of the sanctions[243]. As a consequence of this, promotion programmes were targeted to other expanding markets, for instance China, which became the second biggest destination for European agricultural goods[244]. The case study on the export of fruit and vegetables to the UAE also specifically mentions the disruptions brought by the sanctions as one of the main motivations for the promotion of vegetables and fruit in the UAE through the programme[245].

As announced in October 2019, the United States introduced sanctions on certain EU agricultural commodities, including cheese, meat, wine and olive oil[246]. It is still too early to predict the impacts of such sanctions due to their very recent nature. However, forecasts foresee that the instalment of tariffs will significantly impact sales and revenue[247]. For example, French stakeholders predict that the export of French wine to the United States would drop with 30% in the wake of the installed sanctions[248]. For instance, the case study on the export of European alcoholic beverages (wine and whisky are some of the targeted products by the American sanctions) mentions the programmes have not felt the effect of the sanctions yet, but stakeholders are concerned and would like to receive some support for the promotion of their products. Therefore, the promotion policy can be expected to pay attention to the products affected by the sanctions. Programmes designed to aid the affected commodities will be needed, and the export to other markets may be necessary to fill in the gap left by the decrease in trade with the United States. However, it might be possible that the set-up will arrive too late to address the problem adequately, with possible side-effects on the urgency required.

Another major disruption that took place recently is the outbreak of the African Swine Fever in Asia, changing the global pork industry. Nearly 5 million pigs died in Asia between the first outbreak in 2018 and August 2019, killing 10% of the pig population in China[249]. This outbreak had an important impact on the European pork market, as Asian demand for quality and safe pork meat rose[250]. EU Pork meat exports towards

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[239] Eurostat, 'Milk and milk products statistics'. Available here.
[240] Commission delegated Regulation (EU) 2016/1612 of 8 September 2016 providing aid for milk production reduction. Available here.
[241] European Parliament, 'Economic impact on the EU of sanctions over Ukraine conflict'. Available here.
[242] European Commission, 'European Union, Trade in goods with Russia'. Available here.
[243] DG AGRI AWPs.
[244] Europarl. Eurostat, Extra-EU trade in agricultural goods. Available here.
[245] Case study EU Fruits and Vegetables in the United Arab Emirates
[246] Federal Register / Vol. 84, No. 129. Available here.
[247] Case study on Wine, beer, spirits and vinegar (External: USA)
[248] Taxe Boeing/Airbus: les ventes de vins de Bordeaux s'effondrent aux États-Unis. Available here.
[249] Food and Agriculture Organisation of the UN, 'Emergency Prevention System for Animal Health'. Available here.
[250] European Commission, EU Agricultural Outlook for markets and income 2019-2030. Available here.

China rose by 25% in 2018-2019 compared to 2017-2018[251]. The price for pork meat also rose simultaneously by 43.6% in 2019 compared to 2018 data[252]. The EU Outlook Report for 2019 expected production and export of EU pork meat to increase even further in the near future[253]. This situation increases the relevance of the promotion policy. In the short-term, the promotion of pork meat in China is instrumental to establish the product as a competitor for domestic Asian meat, and possibly present it as a safer and higher quality product in the wake of the African Swine Fever outbreak, at least until the sector in Asia recovers.

The recent trade disputes between the United States and China of 2019 are also of relevance to the objectives of the promotion policy. The two countries are the biggest and second biggest importer of European agricultural commodities, with the US importing €2.242 billion worth of European agri-food products and China importing €1.760 billion[254]. Tariffs from China on certain US agricultural goods (e.g. soybeans and dairy products) halted American exports to China. For example, the export of cheese declined by 40% in 2019. This trade war between the two superpowers can redirect commercial flows to the benefit of Europe's agricultural sector: European agricultural products can compete for the American dwindling market share within China. This is demonstrated in the case study on the European dairy export towards China, where the trade war between the USA and China opens the Chinese market to European dairy products[255]. It is however impossible to establish a strict causal relationship between the specific promotional programme aimed at China, the increase in EU export and the US-China trade war. Nevertheless, there is evidence that suggests increased relevance of the promotion of European agricultural goods in third countries. The promotion policy could play a supporting role in this regard, although caution is needed when implementing long-term measures for what possibly are only short-term market changes because of American (and Chinese) foreign policy unpredictability.

It is also important to look at the role played by the promotion policy following the implementation of trade deals between the European Union and third countries, such as the free trade agreement with Canada (CETA) from 2016.

The CETA has three main pillars: cutting tariffs and opening quotas, protecting the EU quality labels and guiding European food and drink export towards Canada[256]. The EU's agricultural promotion policy plays a role in all three pillars. The abolishment of tariffs on certain EU agricultural goods such as cheese and wine open European trade, and the promotion of these goods in third countries is an objective for the EU's agricultural promotion policy. Canada is included in the North American region, one of the highlighted areas with a dedicated budget for promotional purposes within the AWPs[257]. The allocated budget also rises in the wake of the implementation of CETA from €11 600 000 in the year prior to €22 500 000 in 2018[258].

The CETA and every other relatable trade agreement with third countries increase the relevance of the promotion policy's objective of promoting European agricultural goods in third countries to increase market share and enhance their competitiveness.

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[251] European Commission, 'Monitoring EU Agri-Food Trade, Developments until October 2019'. Available here.
[252] European Commission, CMO Committee 20 May 2020. Available here.
[253] Ibid. footnote 251.
[254] European Commission, 'Monitoring EU Agri-Food Trade, Developments until October 2019'. here.
[255] Case study on the promotion of dairy products in China.
[256] European Commission, 'EU-Canada CETA' leaflet, available here.
[257] DG AGRI, Work Programme for 2016, available here.
[258] DG AGRI, Work Programme for 2018, available here.

Additionally, the impact that Brexit will have on European agricultural products is worth noticing. It is not possible to predict what the exact impact will be, as talks between the EU and the UK just started and are still ongoing[259]. Nonetheless, the EU and UK are major trade partners in agricultural goods and the impact on the European agricultural sector will be significant. The EU exports several agricultural commodities to the UK, amounting to €40 billion in 2017[260]. 73% of the UK's agricultural import comes from the EU, proving the importance of a comprehensive and extensive trade deal and the relevance of the promotion policy in efforts to export European agricultural products in a post-Brexit era.

Finally, it is important to mention the increasing attention paid to climate and environmental change. The European Commission's Green Deal initiative is the overarching plan to create a climate-neutral continent by 2050, and specifically mentions the agricultural sector as an industry that needs significant investments 'to tackle broader environmental challenges, including biodiversity loss and pollution, the protection of natural capital and the support to the circular and blue economy'[261]. So far, it is hard to adequately assess the impact of the shift towards a greener and eco-friendly European agricultural sector, but the challenge should not be understated. The implementation of emission-quotas and the suggestion to halve the livestock in the Netherlands by the Dutch government triggered nation-wide protests[262], and showed how difficult the transition may be.

The EU's agricultural promotion policy may have a key role in promoting alternatives and measures that may aid the transition to a greener European agricultural industry. The Green Deal states that the CAP will direct 40% of its funds to aid environment-related objectives[263]. One of the initiatives contributing to the fundamental evolution towards a sustainable European agricultural sector are the already existing organic farms. European organic farming is growing fast, with an increase of 70% in farmed organic areas over the last ten years[264]. However, yields from organic farms are between 40% and 85% lower than traditional farms, lowering the appeal of organic farming[265] . The lower yields also pose a problem for the statement that organic farming is in all cases better for the environment, as some academic scholars' question if this is actually the case[266].

The promotional policy can help with balancing out the problems related to the lower yields, promoting organic products both internally and in third countries, or increase the visibility of agricultural products thanks to its quality schemes, making the sector more alluring for farmers and consumers. Furthermore, the promotion policy might help inform European citizens and consumers about the advantages of organic products both in terms of the environment (e.g. water, soils, biodiversity) and climate (e.g. lower carbon footprint). The precise role of the promotional policy in the transition towards a greener and (more) sustainable European agricultural sector has yet to be defined, but there is potential for its relevance in this transition.

SUMMARY

Overall, stakeholder evidence suggests the EU agricultural promotion policy's general and specific objectives to be relevant, positively addressing stakeholder needs as well

[259] European Commission, Food, farming and fisheries, 'EU agriculture and Brexit', available here.
[260] Ibid.
[261] Commission Communication on the Sustainable Europe Investment Plan, available here.
[262] Discussed in Case Study 2: dairy export towards China; and nrc.nl 'Het boerenprotest', available here.
[263] Commission Communication on the Sustainable Europe Investment Plan, available here.
[264] European Commission, EU Agricultural Markets Briefs. Available here.
[265] Ibid.
[266] Lecture during The Oxford Farming Conference by Professor Lord Krebs. Available here.

as market challenges. In terms of stakeholders needs, the funding duration is found to be linked to an ability to achieve meaningful change, indeed for certain products or markets possibilities for longer or top-up options were deemed relevant.

As reflected in the case studies, the promotion policy seems to be particularly relevant for promotion programmes targeting third countries, as they increase awareness and improve consumer perceptions in relation to the quality of the products promoted. This is especially important for smaller producers entering a third market for the first time or those organisations introducing products that are relatively new to a targeted market. Moreover, the promotion policy is also highly relevant for products that have benefitted from multiple rounds of funding in the past. Several years of promotion are indeed linked to an increased association of the products by end-users with 'high quality' and a better understanding of the origin of products and their fabrication methods.

When it comes to implementing measures for the objective of restoring market conditions after serious disturbances, the promotion programmes show little flexibility. However, no measures were implemented in the reference period as no serious market condition was reported.

The promotion policy is still relevant in light of the market and policy developments that have taken place, i.e. the Russian import ban on EU products, the African Swine fever, US sanctions, etc. which impacted EU agricultural products. Moreover, given the recent attention to environmental and climate aspects, the policy could have a significant role in the transition towards a green and sustainable European agricultural sector.

6.3. Relevance of AWPs to achieve the objectives of the policy

Sub-question 4.2: To what extent are the AWPs relevant to achieve the objectives of the policy?

COVERAGE OF SUB-QUESTION

To answer this sub-question on the extent to which the AWPs are relevant to achieve the objectives of the policy, the following judgement criteria are used:

- Extent to which the AWPs provide clear strategic priorities for the promotion policy and quantifiable targets;
- Extent to which the AWP priorities are in line with the needs and problems at the time.

Table 27 provides an overview of the AWPs for the 2016-2019 period and lists their strategic priorities linked to the EU's agricultural promotion policy, their quantifiable targets and the products specifically targeted for a determined year. The table aides in the assessment of the extent to which the AWPs provide clear strategic priorities for the promotion policy and quantifiable targets. Moreover, the data is triangulated with additional desk research on the challenges that hit the European agricultural sector and the broader market, as well as interviews with stakeholders and results from the case studies.

Table 27: Overview of AWPs for the years 2016-2019

DG AGRI AWP (year)	Strategic priorities linked to the EU agricultural promotion policy	Priorities of the year, objectives pursued and expected results	In addition, specific sector(s) targeted
2016[267]	• Information and promotion programmes aiming at **increasing the awareness and recognition of Union quality schemes** • Information provision and promotion programmes **targeting third countries,** including the Asian market, North America and others • Information provision and promotion programmes aiming at **highlighting the specific features of agricultural methods in the Union and the characteristics of European agricultural and food products, and quality schemes**	• Increase in the **levels of recognition of the logo associated with the Union quality schemes** by the European consumers • **Enhancement of the competitiveness and consumption** of Union agri-food products registered under a Union quality scheme, a **raise of their profile and an increase of their market share** • **Increase of the awareness of the merits** of Union agricultural products by the European consumers • **Increase the market share, visibility and consumption** of European dairy commodities in third countries	• Milk/dairy, Pig meat products or a combination of those two
2017[268]	• Information and promotion programmes aiming at **increasing the awareness and recognition of Union quality schemes** • Information provision and promotion programmes **targeting third countries,** including the Asian market, North America and others • Programmes increasing the **awareness of Union sustainable agriculture and the role of the agri-food sector for climate action and the environment** • Information provision and promotion programmes aiming at highlighting the specific features of agricultural methods in the Union and the characteristics of	• **Increase in the levels of recognition of the logo associated with the Union quality schemes** by the European consumers • **Enhancement of the competitiveness and consumption** of Union agri-food products registered under a Union quality scheme, a raise of their profile and an increase of their market share • **Increase of the awareness of the merits of Union agricultural products** by the European consumers • **Increase the market share, visibility and consumption** of European dairy commodities in third countries • Help with **achieving sustainability goals,**	• Milk/dairy, Pig meat products or a combination of those two in third countries • Beef products in third countries

[267] European Commission, DG AGRI, 'Work Programme 2016'. Available here.
[268] European Commission, DG AGRI, 'Work Programme 2017'. Available here.

Table 27: Overview of AWPs for the years 2016-2019

DG AGRI AWP (year)	Strategic priorities linked to the EU agricultural promotion policy	Priorities of the year, objectives pursued and expected results	In addition, specific sector(s) targeted
	European agricultural and food products, and quality schemes	**including biodiversity conservation, sustainable water management and sustainable soil management**	
2018[269]	• Information and promotion programmes aiming at **increasing the awareness and recognition of Union quality schemes** • Information provision and promotion programmes aiming at **highlighting the specific features of agricultural methods** in the Union and the **characteristics** of European agricultural and food products, and quality schemes • **Promotion consumption** of fresh fruit and vegetables in the internal market in the context of balanced and proper dietary practices • **Information provision and promotion programmes targeting third countries,** including the Asian market, North America and others • **Information provision and promotion programmes aiming at highlighting the sustainable aspect of the sheep/goat meat production**	• Increase in the **levels of recognition of the logo associated with the Union quality schemes** by the European consumers • **Enhancement of the competitiveness and consumption of Union agri-food products** registered under a Union quality scheme, a raise of their profile and an increase of their market share • **Increase in the awareness of the merits of Union agricultural products** by the European consumers • **Increase the market share, visibility and consumption** of European dairy commodities in third countries • An **increase in the consumption of EU fruits and vegetables** in informing consumers about balanced and proper dietary practices	• Sustainable sheep/goat meat production • Fruit and vegetables in the context of proper dietary practices

[269] European Commission, DG AGRI, 'Work Programme 2018'. Available here.

Table 27: Overview of AWPs for the years 2016-2019

DG AGRI AWP (year)	Strategic priorities linked to the EU agricultural promotion policy	Priorities of the year, objectives pursued and expected results	In addition, specific sector(s) targeted
2019[270]	• Information and promotion programmes aiming at **increasing the awareness and recognition of Union quality schemes** • Information provision and promotion programmes aiming at **highlighting the specific features of agricultural methods** in the Union and the **characteristics** of European agricultural and food products, and quality schemes • Information provision and promotion programmes aiming at **highlighting the sustainable aspect of the rice production** • **Information provision and promotion programmes targeting third countries**, including the Asian market, North America and others • **Promotion consumption of fresh fruit and vegetables in the internal market** in the context of balanced and proper dietary practices • **Information provision and promotion programmes on beef and/or veal targeting any third country(ies)**	• **Increase in the levels of recognition of the logo associated with the Union quality schemes** by the European consumers • **Enhancement of the competitiveness and consumption of Union agri-food products** registered under a Union quality scheme, a raise of their profile and an increase of their market share • **Increase of the awareness of the merits of Union agricultural products** by the European consumers • **Increase the market share, visibility and consumption** of European dairy commodities in third countries • **Increase in the consumption of EU fruits and vegetables** in informing consumers about balanced and proper dietary practices	• Table olives in third countries • Fresh fruit and vegetables in the context of proper dietary practices • Sustainable Rice production • Beef and/or veal in third countries

Source: AWPs promotional policy 2016-2019

[270] European Commission, DG AGRI, 'Work Programme 2019'. Available here.

PRESENTATION AND ANALYSIS OF EVIDENCE

The analysis suggests that AWPs overall provide clear priorities and targets to the promotion policy for three main reasons, each further examined below.

First, AWPs are clearly structured and formulated, providing an ambitious but balanced programme. These programmes are based on sound information, considering the following aspects, which are key to the relevance of their content and their correct implementation:

- Previous AWP(s);
- EU Regulations and policy objectives;
- Current trade situation and macro-economic perspectives of the agricultural markets;
- Inputs received from stakeholders (consulted through the Civil Dialog Group) and Member States (consulted via the Committee for the Common Organisation of agricultural markets – promotion);
- Major objectives of the promotion policy.

Stakeholders interviewed mentioned of particular relevance the macro-economic analysis carried out to define the priorities for third markets. This type of analysis is believed to provide a sound basis for the selection of third markets to target, which is important to best address the objectives of the promotion policy.

Moreover, stakeholders appreciate that AWPs take into consideration inputs received during Civil Dialogue Group meetings[271], where the draft AWPs are discussed. Stakeholders mention these meetings are fruitful in exchanging opinions on the content of the AWPs and its strategic priorities. Minutes from these meetings show that there seems to be an overall high satisfaction rate amongst participants, with the majority usually approving the content of the AWPs[272].

Stakeholders generally agree that the AWPs set clear guidelines on all aspects of the promotion policy. Several stakeholders have however lamented the limited flexibility of AWPs. It was mentioned that although AWPs are flexible in determining their strategic priorities each year according to the needs of a specific sector or market, adaptations or changes to programmes are usually not easy. This is to be expected: it is explained by the fact that AWPs are the result of annual Implementing Decision of the Commission. Moreover, no change to an AWP was requested by stakeholders in the past years which means, in practice, this has not been a real issue.

Second, the overview of the strategic priorities of the four AWPs considered (Table 28) shows they take into consideration the core objectives of the promotion policy. The main three objectives of the promotion policy are particularly emphasised in the AWPs. The first one relates to information and promotion programmes aiming at increasing the awareness and recognition of Union quality schemes. All AWPs try to increase the visibility of the four major EU quality schemes: (organic, protected designation of origin (PDO), protected geographical indication (PGI) and traditional speciality guaranteed (TSG)) and increase their competitiveness on the market. This priority is of relevance to the third specific objective of the promotion policy, which aims to increase the awareness and recognition of Union quality schemes.

The second recurring priority is the information provision and promotion programmes aiming at highlighting the specific features of agricultural methods in the Union and the characteristics of European agricultural and food products, and quality schemes. The end goal is to increase the competitiveness of EU agricultural commodities and enhance their consumption internally and abroad, as well as establishing EU goods as a high-quality

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[271] Civil Dialogue Group meeting minutes, See here.
[272] Ibidem. Meetings on the presentation of the promotion policy AWPs only.

commodity. This priority is relevant to the promotion policy for two main reasons: it both increases awareness of the high standards of the production process of EU agricultural goods and the competitiveness and consumption of Union agricultural products.

The third recurrent priority is the information provision and promotion programmes targeting third countries. Each AWPs identify and suggest the most important markets outside the European Union, based on detailed analysis. High profile markets include China, Japan, South-Korea and Asia as a whole, North America and some other countries. The promotion programmes targeting third countries correspond with the objective of the promotion policy to enhance the competitiveness and consumption of EU agricultural goods and to increase their market share, especially in third countries.

AWPs also single out specific sectors, products and target markets according to the political agenda and/or market needs of the time (e.g. sectors under pressure, interest in helping producers and exporters to consolidate or develop new markets, etc.). This is for example the case for the promotion of sheep and goat meat in 2018[273] or the promotion of healthy eating fruit and vegetables in 2018 and 2019. The latter is relevant for DG AGRI's overall policy, which includes different programmes related to the promotion of fruits and vegetables (e.g. the promotion campaign in schools for the consumption of fruits, vegetables and milk, the EU platform on diet, physical activity and health, and the Tartu call for a healthy lifestyle)[274].

Each AWPs set out targets with specific aims, related to the different strategic objectives (Table 28). Although the objectives are relevant to the AWPs' strategic priorities, they sometimes appear to be more similar to overarching goals than measurable objectives. An example of this is the following objectives taken from the 2019 AWP: 'enhance the competitiveness and consumption of Union agri-food products, raise their profile and increase their market share in these targeted countries'[275]. Although specific indicators are provided in the Annex I of the regulation 1829 under Impact indicators[276], such broad formulation lacks a necessary specificity. This may have an impact on the ability to report on the achievement of the objective. This finding came through in interviews with stakeholders. They highlight priorities set out in the AWP do not always establish a quantifiable or tangible goal for measurement of the strategic objectives.

Third, the strategic objectives and objectives pursued, as set out in the AWPs, show a sound awareness and response to the needs and challenges of the agricultural industry. The following section looks into the most significant events that hit the European agricultural sector since 2016 (Table 28) also described in section 2.2. It then evaluates the extent to which the priorities of the AWPs have been relevant to and aligned with the different pressures the agricultural sector faced.

[273] ANNEX I Work Programme for 2018 in the framework of Regulation (EU) No 1144/2014 of the European Parliament and of the Council of 22 October 2014 on information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries, available here.

[274] See European Commission articles: EUR250 million available to support healthy eating habits for European schoolchildren, available here; Joint Actions to promote healthy lifestyles, available here; Monitoring the activities of the EU Platform for Action on Diet, Physical Activity and Health . Annual Report 2016, available here.

[275] ANNEX I Work Programme for 2019 in the framework of Regulation (EU) No 1144/2014 of the European Parliament and of the Council of 22 October 2014 on information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries, available here.

[276] Commission Delegated Regulation (EU) 2015/1829 of 23 April 2015 supplementing Regulation (EU) No 1144/2014 of the European Parliament and of the Council on information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries. Available here.

Table 28: Overview of agricultural challenges since 2016

Challenges to the European agricultural sector
The abolishment of the milk quotas (2015)
Russian import restrictions (2014-ongoing)
Brexit (2016 – ongoing)
US tariffs on European agricultural goods (2019-ongoing)
(Lack of) awareness of quality of European agricultural products (ongoing)
Cost pressures on the European farming industry (ongoing)
Climate change and environmental concerns (ongoing)
African Swine Fever (2018-ongoing)
COVID-19 (2020-ongoing)

The abolishment of milk quotas in 2015 was an important change in the European agricultural sector. The Commission introduced these quotas in 1984 to halt the overproduction of milk and dairy products[277]. The quotas were abolished in 2015, creating a surplus of dairy products and greater need for both dairy internal consumption and export to third countries[278]. A response to this can be seen in the AWPs of 2016 and 2017, which targets the promotion of milk and dairy products. Indeed, although the 2016 and 2017 AWPs focused on the overall promotion of all EU agricultural foods, the single out the promotion of milk and dairy and allocated a dedicated budget for its promotion, both internally and in third countries (€30 million in 2016[279] and €12.60 million in 2017[280]).

Russian sanctions introduced in 2014 on certain EU agricultural products (e.g. milk and dairy products, vegetables, fresh pork) had an impact on the European agricultural sector, as also highlighted in the case study for the promotion of European fruits and vegetables in the UAE. The sanctions heavily impacted the trade of agricultural products between the EU and Russia, with EU agricultural exports to Russia decreasing by 42% between 2012 and 2018[281]. The AWP of 2019 recognised this situation, mentioning that 'exports to Russia continue to pose a particular problem due to the challenging political situation and import embargo'[282]. Numerous topics within the different AWPs addressed this problem and the affected agricultural commodities, such as dairy products (AWPs 2016 and 2017), fruit and vegetables (AWPs 2018 and 2019) and pig meat (AWPs 2016 and 2017), focusing on promotion programmes targeting the affected products. For instance, a specific budget was foreseen for the promotion of a healthier diet aimed to enhance the consumption of fruit and vegetables in 2018 and 2019, dairy and milk products and the same happened for the promotion of pork in both the EU and third

[277] European Commission, 'Food, farming, fisheries'. Available here.
[278] Discussed in Case Study 2: Dairy export to China.
[279] ANNEX I Work Programme for 2016 in the framework of Regulation (EU) No 1144/2014 of the European Parliament and of the Council of 22 October 2014 on information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries and repealing Council Regulation (EC) No 3/2008, available here.
[280] ANNEX I Work Programme for 2017 in the framework of Regulation (EU) No 1144/2014 of the European Parliament and of the Council of 22 October 2014 on information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries and repealing Council Regulation (EC) No 3/2008, available here.
[281] European Union, Trade in goods with Russia, available here.
[282] ANNEX I Work Programme for 2019 in the framework of Regulation (EU) No 1144/2014 of the European Parliament and of the Council of 22 October 2014 on information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries, available here.

countries in the AWPs for 2016 and 2017[283]. The explicit recognition of the problems caused by the Russian sanctions combined with the prioritisation of programmes that included the affected agricultural commodities show that the recent AWPs set out relevant priorities, addressing the challenge appropriately.

The programmes promoting fruit and vegetables did not only respond to the problems related to the Russian sanctions, but also originated in the framework of the promotion of a healthier lifestyle and diet by the Commission. For instance through the fruit, vegetables and milk scheme, the European Commission invests a budget of €250 million per school year in the period 2017-23 to promote consumption of fresh fruits, vegetables and milk in an attempt to promote healthy eating habits and meet nutritional recommendations and simultaneously increase the demand for milk and related products[284]. The programmes considered in the AWPs therefore responded adequately to two needs at the same time.

Of particular importance to the European agricultural sector is competition from third countries. The liberalisation of trade, increased production of agricultural products in other countries and promotion policies of EU competitors are all factors that challenge the competitiveness of European agricultural goods. An example of the strength of competing entities is the market share of New Zealand's butter in China of 89% in 2018, as opposed to a market share of 4% for the EU[285]. All AWPs considered identify and target the main markets with the highest potential, including the aforementioned Chinese and Asian markets, spending a significant portion of their annual budgets on targeting these specific high-profile markets. Moreover, all AWPs prioritise the internal promotion as well, corresponding with a declining trade deficit in the period after 2012. Even though it is premature to establish a casual relation between the internal promotion campaigns included in the AWP's and the reduced trade deficit, the trade deficit nevertheless decreased from €6 billion in 2012 to zero in 2018. Although competition is still on-going, the AWPs provide a clear and relevant framework to increase the competitiveness of the European agricultural sector both internally and in third countries, recognising this as a main strategic priority to be addressed.

The AWPs also focus on increasing awareness and recognition of Union quality schemes. This priority is of high importance to the promotion policy and seem to be relevant given the current situation. Indeed, a Special Eurobarometer report published in February 2018 showed that only a small portion of European consumers are aware of the quality labels indicating that products conform to specific EU standards[286]. Only 18% of respondents were aware of the three EU logos used to promote and protect the quality of agricultural products and only 22% indicated they regularly check quality labels on food purchases[287]. The promotion programmes aiming at increasing the awareness and recognition of Union quality schemes are one of the three priorities of the AWPs analysed, yet Eurobarometer results shows there is still some progress to be made to fully reach this objective, highlighting the importance of this objective so far addressed within the AWPs considered for this evaluation.

The cost pressures on EU farming industry should also be considered[288]. Not only do stricter production standards drive up agricultural production costs (e.g. compliance to

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[283] ANNEX I Work Programme for 2016 in the framework of Regulation (EU) No 1144/2014 of the European Parliament and of the Council of 22 October 2014 on information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries and repealing Council Regulation (EC) No 3/2008, available here.

[284] See School scheme explained here.

[285] USDA Foreign Agricultural Services (2019) China – Peoples Republic of Dairy and Products, Semi-annual Higher Profits support increased fluid milk production, available here.

[286] Special Eurobarometer 473, Europeans' Attitudes Towards Food Security, Food Quality And The Countryside, February 2018, available here.

[287] Special Eurobarometer 473, Europeans' Attitudes Towards Food Security, Food Quality And The Countryside, February 2018, available here.

[288] European Commission. PPT Presentation: The new promotion policy: Synoptic Presentation, available here.

sustainability-rules, increase in price of energy and fertilisers[289]), but environmental and climate challenges and their responding measures also have an impact on the European farming economy[290]. The 2017 AWP addresses environmental concerns related to agriculture to a certain extent, and subsequent AWPs do refer to sustainable production.

In-depths interviews reflect this concern and highlight the need to focus more on aspects of sustainability and sustainable production methods. Stakeholders believe that AWPs could include an analysis on the impact and costs of transport and carbon emissions for each agricultural sector. This analysis should of course consider production methods and geographical location (e.g. mountains, plains, etc.), as these aspects have an impact on carbon emissions and costs. Should this take place, a collaboration with DG CLIMA and DG ENV should be considered to balance efficiency and feasibility. Interestingly, the sustainability aspect was perceived by stakeholders as a 'competitive advantage', both when trading internally and in third countries.

The final event of note is the outbreak of the African Swine Fever in Asia. Nearly 5 million pigs died from the outbreak in mid-2018, changing the global pork trade[291]. As reflected in the case study on European meats, the increase in consumption of European pig meat in China due to the on-going fallout from the disease might persist over a long period of time; thus, possibly increasing the price of pig meat for European consumers. This depends on how the Chinese authorities combat the disease, and how Chinese production recovers its former level and fully respond to the growing demand in China. The entire extent and impact of the African Swine Fever on the trade of pig meat and the price of pig meat remain to be seen, excluding the African Swine Fever and its effects on the pig meat sector from the most recent AWP of 2019[292].

The same logic holds true for other recent events, such as the US tariffs imposed on certain EU agricultural products and the outbreak of the Corona Virus in 2020. In October 2019, the US installed tariffs on a number of European agricultural goods, including cheese, wine and meat[293]. The tariffs will have a significant impact on the sales and revenue of these products, as highlighted in interviews with stakeholders[294], but it remains to be seen how future AWPs will respond to this. The spread of the Corona Virus is even more recent, as it only started making headlines beginning of 2020[295]. Whilst the impact of the outbreak can already be felt on the economic markets[296], it is impossible to fully assess the ramifications for the trade of EU agricultural goods.

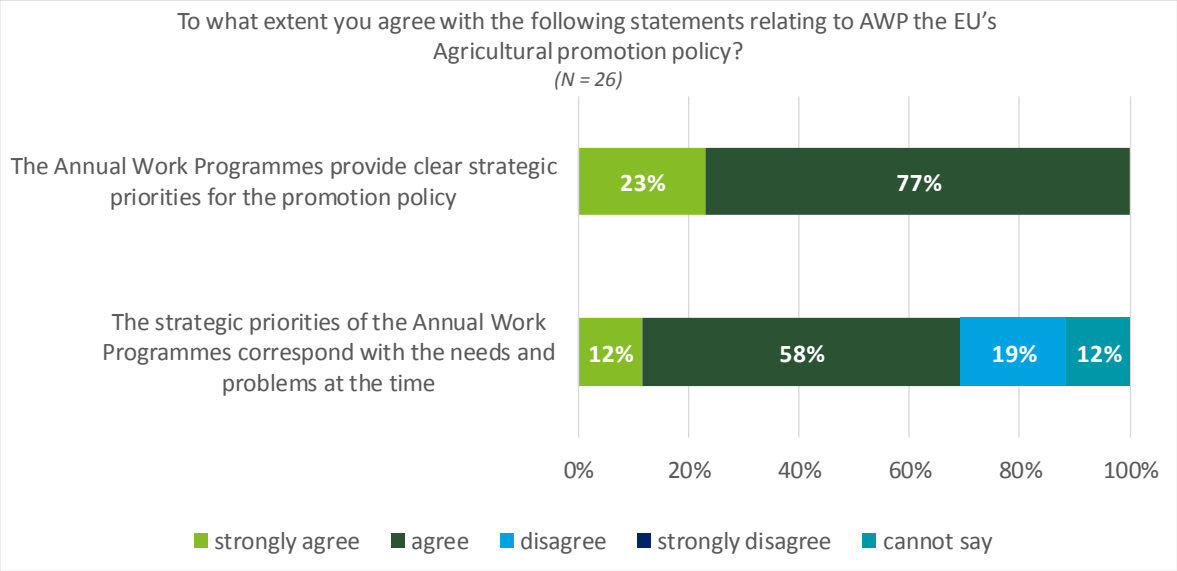
The final major recent event that is still ongoing are the negotiations between the UK and the EU in the light of Brexit for the future of the trade of agricultural goods. The talks between the EU and the UK have just started, and whilst predicting the complete consequences for the European agricultural sector is hard, the impact will nonetheless be significant. The EU and UK are important trade partners, as the EU agricultural exports to the UK amounted to €40 billion in 2017[297]. The most recent AWP could not address the issues in the context of the Brexit, as the negotiations are still ongoing.

To conclude, the positive perceptions around the relevance of the AWPs is confirmed by the results of the online survey. Figure 34 below shows all NCAs that participated in the online survey agree (77%) and strongly agree (23%) that the AWP provide clear strategic priorities for the promotion policy. Five NCAs (representing 19% of the total

[289] European Commission. PPT Presentation: The new promotion policy: Synoptic Presentation, available here.
[290] European Commission. PPT Presentation: The new promotion policy: Synoptic Presentation, available here.
[291] FAO (2020) ASF situation in Asia update, available here.
[292] ANNEX I Work Programme for 2019 in the framework of Regulation (EU) No 1144/2014 of the European Parliament and of the Council of 22 October 2014 on information provision and promotion measures concerning agricultural products implemented in the internal market and in third countries, available here.
[293] Federal Register, Vol. 84 No.129. Available here.
[294] Case study on Wine, beer, spirits and vinegar (External: USA)
[295] European Centre for Disease Prevention and Control, COVID-19, available here.
[296] Peter S. Goodman (2020) China's Coronavirus Has Revived Global Economic Fears, The New York Times, available here.
[297] European Commission (2019) The withdrawal of the United Kingdom from the EU, available here.

respondents) believe that the strategic priorities of the AWP do not correspond with the needs and challenges of the agricultural sector identified at the time. However, there is no further information from the open-ended questions about the reasons for this assessment.

Figure 34: Assessment of aspects of the Annual Work Programmes by NCAs



Source: Online survey of NCA

SUMMARY

Our analysis suggests that AWPs provide clear strategic priorities that are not only relevant for the promotion policy, but also aligned with it. AWPs set the scene for programmes aimed to increase awareness of the high standards of EU goods, enhance the consumption and competitiveness of these goods internally and outside of the Union and increase market share, especially in third countries. AWPs set out targets based on sound information and current market needs and challenges. Despite being relevant to the AWPs' strategic priorities, these objectives sometimes appear to be more similar to overarching aims than measurable goals, as objectives have no quantifiable thresholds in place to evaluate if the intended result effectively has been achieved.

In sum, AWPs appear to be for the most part relevant for the challenges and pressures faced in recent times by the European agricultural sector. Some problems were addressed adequately, like the Russian sanctions, whilst other concerns related to environmental and climate change could be further enhanced in the priorities of future AWPs.

6.4. Relevance of the European Commission's Own Initiatives

Sub-question 4.3: To what extent are the own initiative actions by the Commission relevant?

COVERAGE OF SUB-QUESTION

To answer this sub-question on the extent to which the Commission own initiatives and promotion programmes have been relevant, the following judgement criterion is looked at:

- Extent to which Commission initiatives respond to the main needs and problems perceived by stakeholders and provide some strategic visions.

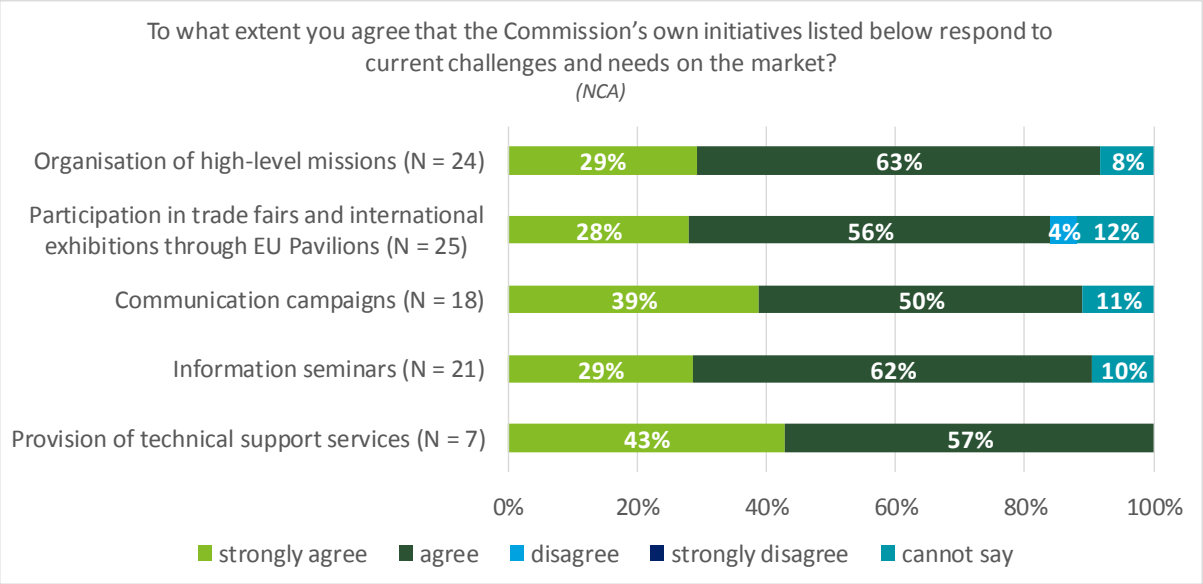
When answering this sub-question, data from desk research on the initiatives, as well as interviews and survey responses from stakeholders aware of and knowledgeable on the initiatives was triangulated.

PRESENTATION AND ANALYSIS OF EVIDENCE

The assessment of the Commission's own initiatives responding to current challenges and needs on the market is overall very positive. The results of the online survey show that most survey respondents – across the target groups – who are aware of the Commission's own initiatives, agree that such initiatives positively respond to current challenges and needs on the market. The initiatives that seem to best do so are technical support services and information seminars (Figure 35). It is important to note that the number of unsuccessful proposing organisations that responded to the question is significantly lower, when compared to response numbers in other target groups.

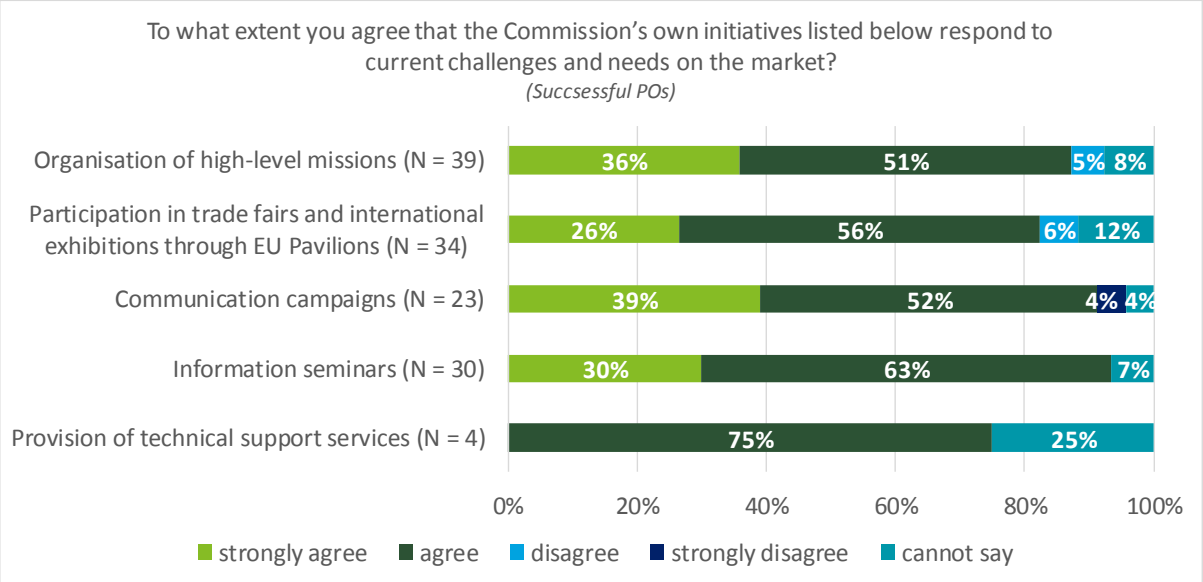
The information collected through in-depth interviews reflect these results. Stakeholders stress the importance of receiving clear support and guidance on the overall promotion policy, the application process to promotion programmes, as well as information on specific agricultural sectors and markets (internal and third countries). This type of information is especially provided during information seminars and technical support services, confirming the results from the survey.

Figure 35: Extent to which the Commission's own initiatives respond to current challenges and needs on the market according to NCAs



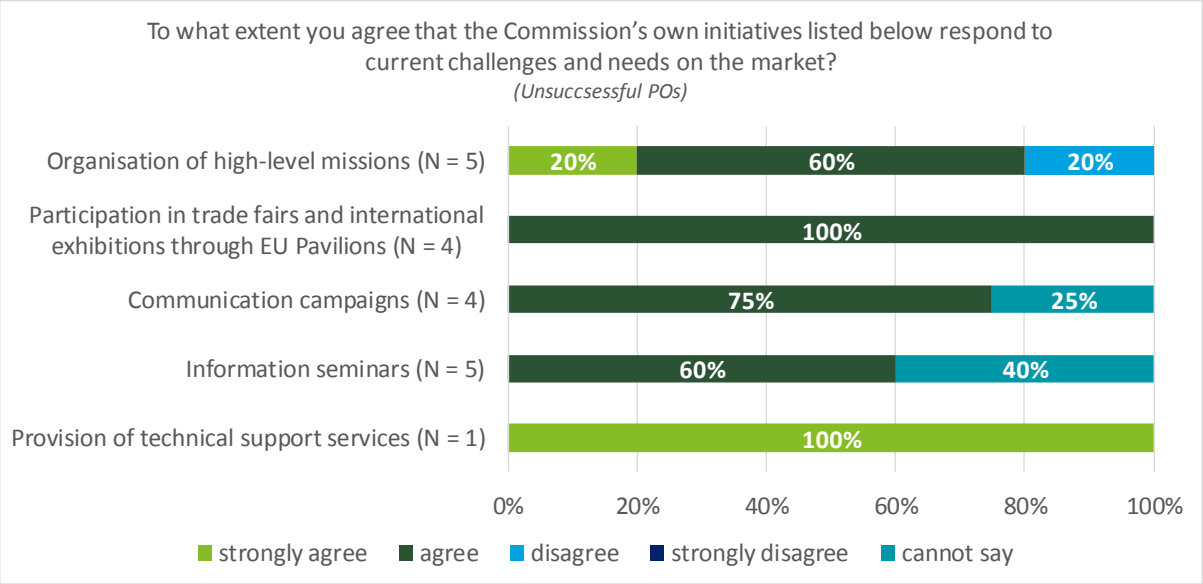
Source: Online survey of NCAs

Figure 36: Extent to which the Commission's own initiatives respond to current challenges and needs on the market according to successful proposing organisations



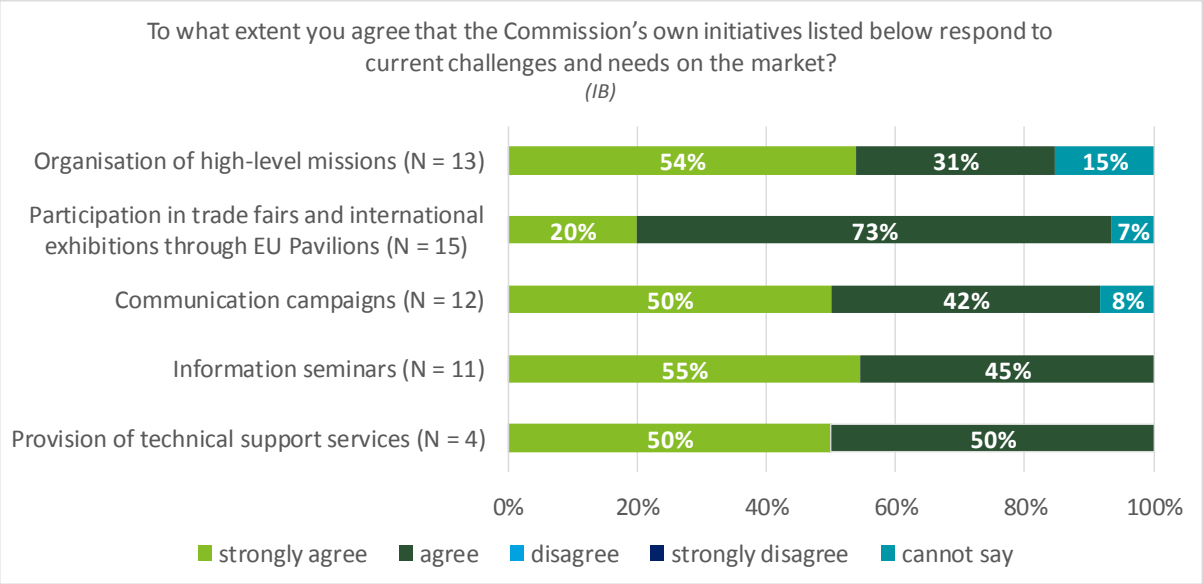
Source: Online survey of proposing organisations and IB

Figure 37: Extent to which the Commission's own initiatives respond to current challenges and needs on the market according to unsuccessful proposing organisations



Source: Online survey of proposing organisations and IB

Figure 38: Extent to which the Commission's own initiatives respond to current challenges and needs on the market according to IBs



Source: Online survey of proposing organisations and IB

When looking at the different initiatives and the needs of the stakeholder groups, in-depth interviews provided insights into the initiatives that were most relevant to each stakeholder group[298]. As seen above, whilst stakeholders positively value all initiatives, one or two are typically especially relevant to address their needs and eventual challenges.

NCAs mostly appreciate high-level missions, regarding them as highly relevant for the promotion of European agricultural products in third countries. Indeed, Member States would not necessarily be able to mobilise the resources (e.g. human and financial) to carry out such activities. These missions are therefore regarded by this target group as a highly relevant starting point, following which, the promotion programmes can launch activities in the targeted third countries. The presence of the Commissioner is seen as a success factor for such events, as such high profile gives prestige and better visibility to the missions. Some NCAs revealed they would like to be more involved in the preparation of these missions, being able to voice their preferences and opinions on the agenda and participants list. NCAs also appreciate technical support services. During interviews, they said these services are relevant tools for proposing organisations and companies to help them better understand the promotion policy and overall application processes. They also acknowledge these services are relevant for their own knowledge on Union rules concerning programme development and implementation, which comes in handy for their management of Simple programmes.

Successful proposing organisations particularly value technical support services. As part of these services, proposing organisations appreciate the information received on different markets and sectors, provided by country, market, statistical and best practice reports. They mention this type of information further improves their knowledge on the different markets and gives them a better understanding of possible opportunities. Moreover, proposing organisations value the support received regarding the application process, which can be challenging (e.g. for proposing organisations that are new to the process or for proposing organisations that do not the desired support from NCAs in the context of Simple programmes). Proposing organisations also highlight the relevance of Info Days, which valuable events to receive extensive information (e.g. on the AWP, calls for proposals, export opportunities for agri-food products in third countries, Commission

[298] No information on the perceptions of unsuccessful proposing organisations was collected as these organisations were not interviewed.

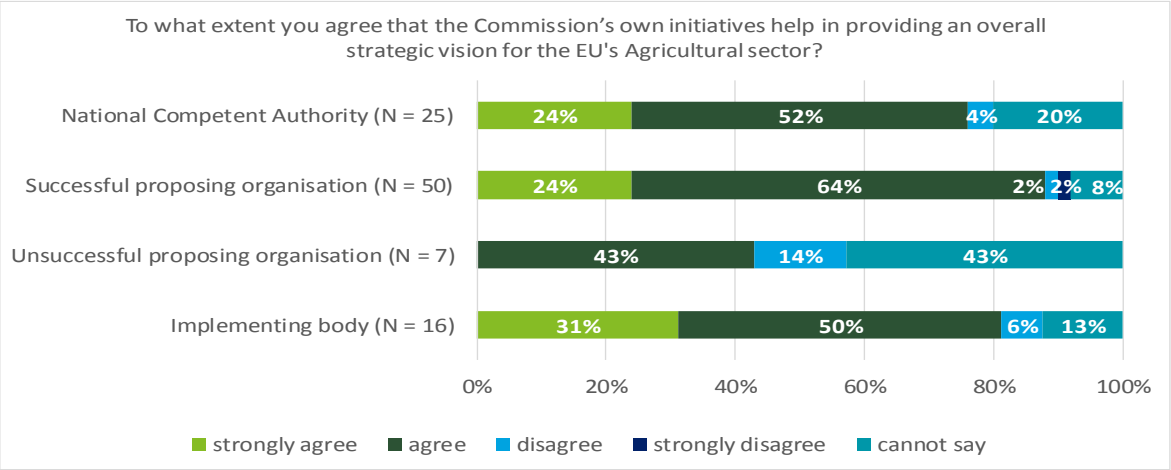
own initiatives, best practices, etc.) and receive answers to questions. Proposing organisations describe match-making sessions during these days as highly relevant, especially for those wishing to submit joint applications for funding and looking for potential partners. Finally, proposing organisations value CHAFEA's efforts to regularly provide new support services according to the feedback received. On this point, this stakeholder group stressed the importance of having the CHAFEA website available in all the official languages of the EU. Currently, the website in under translation, and some language versions will be available in the second half of 2020. Having the website in all the official languages of the EU is however important to increase the outreach audience and allow fairer opportunities for all.

Implementing bodies are especially positive about trade fairs and international exhibitions through EU Pavilions, which they view as valuable opportunities to carry out their promotion activities. These events are important occasions for such organisations to be in contact with the targeted market and audience, inform them on the agricultural products they advertise and better promote them. Moreover, these fairs and exhibitions are important occasions to gather end-user's opinions and views on the different agricultural products promoted, enabling such organisations to better tailor their promotion activities according to the feedback received.

When looking into the extent to which the Commission's own initiatives contribute to providing an overall strategic vision for the EU's agricultural sector, the information collected through the online survey shows positive trends. Most stakeholders appear to agree with the statement Figure 38. Only five respondents across all stakeholder groups (strongly) disagree with this statement. These five respondents indicated being familiar with different types of activities (e.g. high-level missions, trade fairs, information seminars). Therefore, no clear pattern can be identified between level of agreement and type of activity known.

The results of the unsuccessful proposing organisations, which display a higher level of disagreement with the statement (14%) and inability to answer the question (43%) must be interpreted with caution due to the very low number of unsuccessful proposing organisations who answered the question (Figure 39). A reason provided for this trend during in-depth interviews with NCAs and successful proposing organisations is the lack of awareness of Commission own initiatives among unsuccessful proposing organisations. Although it is difficult to infer a causal link between lack of awareness and relevance scores, it should be noted that low levels of awareness may influence stakeholders' perceptions.

Figure 39: Perceived contribution of the Commission's own initiatives to providing an overall strategic vision of the EU's agricultural sector



Source: Online survey of proposing organisations and IB, Online survey of NCAs

Given that no measure to help restoring normal market conditions after serious market disturbance was implemented in the reference period of the evaluation, stakeholders could not pronounce themselves on the relevance of Commission own initiatives in the case of such event.

SUMMARY

Commission own initiatives seem to respond to current challenges and needs on the market. Provision of technical support and information seminars appear to be the most relevant across stakeholders consulted, although relevance varies across stakeholder groups. For example, NCAs appear to particularly appreciate high-level missions, regarding them as highly relevant for the promotion of European agricultural products in third countries. Successful proposing organisations particularly value technical support services for the information provided. Implementing bodies are especially supportive of trade fairs and international exhibitions through EU Pavilions, which they view as valuable opportunities to carry out their promotion activities.

Commission own initiatives bring an overall positive contribution in providing a general strategic vision for the EU's agricultural sector, though (unsurprisingly) unsuccessful proposing organisations agree less with this statement.

6.5. Relevance of the 'Enjoy! It's from Europe!' signature

Sub-question 4.4: To what extent is the signature 'Enjoy! It's from Europe!' on the internal market and in third countries relevant?

COVERAGE OF SUB-QUESTION

To answer this sub-question on the extent to which the signature 'Enjoy! It's from Europe!' has been relevant, the following judgement criteria were used:

- Extent to which stakeholders perceive the signature as relevant;
- Extent to which the signature resonates with target audiences in the EU;
- Extent to which the signature resonates with target audiences in third countries.

The signature 'Enjoy! It's from Europe' was created as part of the reformed promotion policy. It is intended for the beneficiaries of funds from the European Union to be used in promotional projects for EU agricultural goods, both inside the Union and in third countries. The intent is to use the signature in all promotion materials, ranging from brochures, PowerPoints, stands and posters[299]. The signature can be used in combination with different thematic lines, related to the topic of the respective campaign such as environment, diversity and quality and food safety[300].

This sub-question explores the relevance of the signature 'Enjoy! It's from Europe!' as a whole, both in the internal market and in third countries. The main sources of information used to answer this question are in-depth interviews and the online survey analysis. These tools allow to best grasp qualitative indicators such as stakeholders' perceptions, which are key when addressing this question. The case studies were also used as an additional source of information; chiefly to provide concrete examples. Additionally, desk research was carried out with the intent to provide background information on the rules around the use of the signature in all promotion material.

[299] CHAFEA Graphic charter guidelines, available here.
[300] CHAFEA Instruction on the use of the signature, available here.

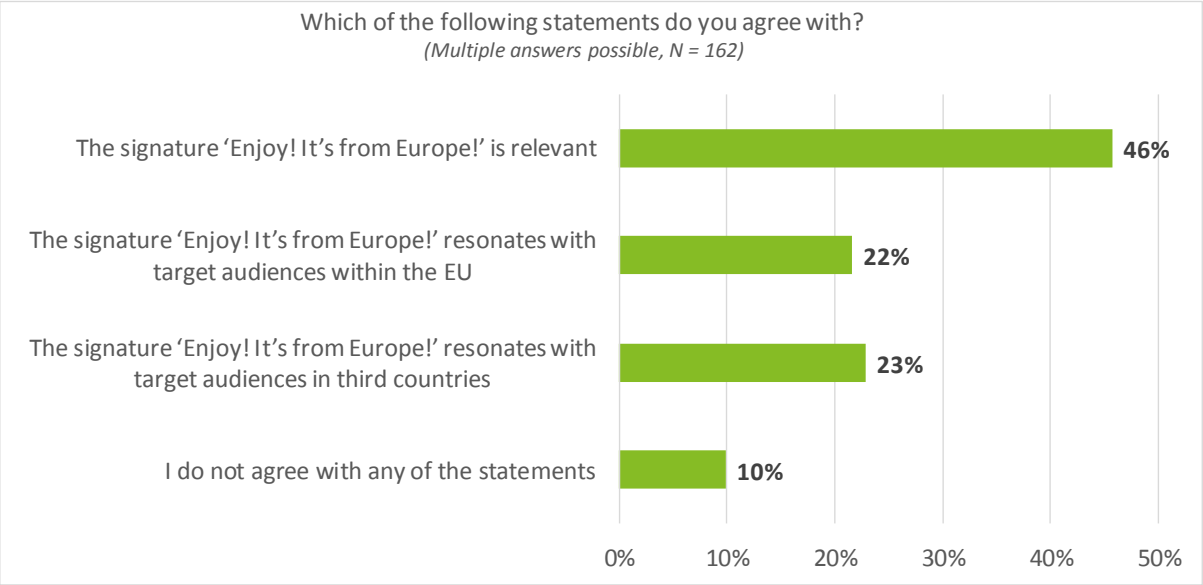
PRESENTATION AND ANALYSIS OF EVIDENCE

Generally, stakeholders seem to regard the signature relevant, although opinions vary when considering its relevance in the internal market and third countries. With respect to the overall relevance of the signature, stakeholders believe the signature has become an important logo, almost a trademark, representing the origin and quality of European agricultural products, and is therefore highly relevant for the promotion of agricultural products. Stakeholders trust familiarity with the signature has increased throughout the years, helping end-users to quickly identify the European origin of products. The logo is also believed to be easy to use, being added to the various promotion materials effortlessly. Additionally, by gaining notoriety, the signature has created a community, which facilitated communication on European agricultural products (e.g. #EnjoyitsfromEurope or #EUAgripromo hashtags).

Results of the online survey confirm this perception and show positive trends. It is worth noting that although the question to the three respondent groups is similar in nature[301], the methodology applied in posing the question was different, which is the results are presented separately. Whilst proposing organisations and IBs had to indicate to which question they agreed the most with (multiple answers were possible), NCAs had to rank the extent to which they agreed or disagreed with the questions.

The majority (52%) of the respondents in all targeted groups agrees that the signature 'Enjoy! It's from Europe' is relevant. Almost half of all proposing organisations and IBs agree with this statement and 88% of the NCAs either strongly agree or agree with it (Figure 40 and Figure 41). Only one NCA disagrees with the statement and did not provide a reason for its opinion.

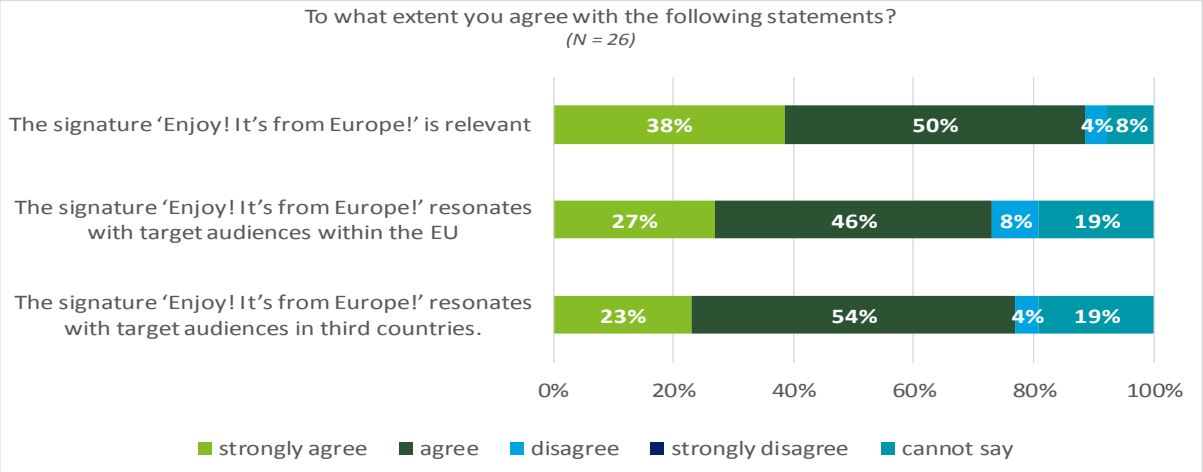
Figure 40: Relevance of the signature 'Enjoy! It's from Europe!' according to proposing organisations and IBs



Source: Online survey of proposing organisations and IBs

[301] The question focuses on the relevance of the signature 'Enjoy! It's from Europe!'.

Figure 41: Relevance of the signature 'Enjoy! It's from Europe!' according to NCA



Source: Online survey of NCAs

When considering the relevance of the signature within the EU and in third countries, inputs tend to vary. Figures from the NCAs survey show very positive trends: up 73% and 77% respondents strongly agree or agree the signature resonates within the EU and in third countries, respectively (Figure 41). However, proposing organisations and IBs portray lower scores, with only 22% agreeing the most with the statement that the signature is relevant in the EU market. The figure slightly raises to 23% for the relevance of the signature in third countries (Figure 40). Moreover, there is a slight tendency amongst stakeholders to agree the signature is more relevant in third countries than in the EU market. In-depths interviews and case study results' further support and strengthen these trends. Below, the relevance of the signature, distinguishing between its pertinence in third countries and the internal market is outlined.

Relevance of the signature in third countries

The analysis shows that interviewed stakeholders tend to view the signature 'Enjoy! It's from Europe' as relevant, especially in the context of promotion activities implemented in third countries. Target audiences in third countries may have limited knowledge of individual countries in Europe. Nevertheless, they do understand where Europe is and can usually easily associate the signature with Europe. Most stakeholders agreed that, to the extent of their knowledge, the signature is starting to gain widespread recognition in third countries. A minority mentioned the identification is still not as high as hoped for. However, they agreed that the level of awareness is slowly increasing and beginning to gather momentum and keeping the same signature can sustain these trends.

Stakeholders in third countries also positively associate European agricultural products with high quality, strict food safety control and tradition[302]. Interviewees who found the signature to be relevant, agreed that this branding was synonymous with quality by consumers, making it a valuable association for their products. All in all, professionals and most consumers in third countries fully understand the interconnection of the European signature and the high quality of the products being promoted.

This positive connotation is particularly significant for two types of stakeholders. First, those European organisations that are new to a third country market. Second, those producers who are promoting agricultural products that are relatively new to the consumers of a third country. For instance, stakeholders interviewed in the context of the dairy case study[303] highlighted the importance of associating to Europe dairy products

[302] Interviews with stakeholders.
[303] Target third country: China.

that were fairly new to the Chinese consumers (e.g. cheese, butter and cream). Indeed, Chinese consumers positively view European products, associating them first and foremost with high levels of safety/controls/traceability[304]. Therefore, linking new dairy products to Europe, for instance with the 'Enjoy! It's from Europe!' signature, has proven to be a useful way of promoting new products in a third market like China.

While recognising the importance of the European branding in third countries, some stakeholders questioned the relevance and added value of the signature to the EU flag, which is also compulsory. These respondents raised concerns that the multiplicity of different logos and slogans were confusing for consumers and expressed a desire for a more streamlined approach using either the signature, the EU branding or the PDO/PGIs labels.

Other stakeholders highlighted the importance of having the signature appearing both in English and in the native language of the target country, to increase its relevance in third countries. This is not compulsory yet but is believed to have a high influence on the relevance and impact of the signature in third countries. For example, whilst the translation of the signature was done in China in the context of the promotion of dairy products, this was not the case in Mexico, in the context of the promotion of products recognised under EU quality schemes[305]. Stakeholders mentioned this limited the awareness raising potential of the signature when used to promote sales in a third country where it would have benefitted from being translated in Spanish too.

Relevance of the signature in the internal market

Stakeholders show mixed views regarding the relevance of the signature in the internal market. As seen in Figure 41 above, a sound majority of NCAs agree with the statement 'The signature 'Enjoy! It's from Europe' resonates with target audiences within the EU', whereas proposing organisations and IBs show less positive trends (Figure 38). When considering in-depth interviews and the case study results, the analysis shows stakeholders generally recognise the importance of the signature within Europe. Most stakeholders support the European Union in its promotion of agricultural products within the internal market. They regard it as a relevant move for the protection of local producers and competitiveness of the agricultural sector. Stakeholders generally approve of and encourage the use of the signature in programmes targeting the internal market as they believe it increases awareness on the quality and European origin of the products amongst European consumers.

However, numerous respondents showed dissatisfaction on some aspects, which they believe hinder the relevance of the signature. First, several stakeholders believe the signature has limited relevance in the internal market, as European stakeholders pay little attention to it. A possible explanation is that European consumers are already familiar with the meaning of the signature and are interested in other aspects of European agricultural products, e.g. their nutritional values, country of origin and sustainability aspects (e.g. environmental concerns and animal welfare). Eurobarometer also confirms these topics are rising in importance for consumers[306]. Linked to this is the fact that there is a growing tendency amongst stakeholders to privilege local products, whenever possible. As such, rather than seeing that a product comes from Europe, consumers prioritise information on the country of origin of a product. In a survey it ran amongst its consumers, the CONFDE programme found that almost half the respondents were missing information on both the country of origin of the product and its taste and nutritional values, aspects which they would have liked to be highlighted[307].

[304] Case study on the promotion of dairy products in China.
[305] Case study on the promotion of products recognised under EU quality schemes.
[306] Eurobarometer (2019) Food safety in the EU, available here.
[307] Case study on the promotion of fruit and vegetable products in the EU internal market.

Second, stakeholders have lamented requirements on the size and position of the signature, as well as the European flag on promotion material. Following the reform of the promotion policy, organisations can mention the national origin of the product as long as the general message remains a European one[308]. However, stakeholders believe the European dimension overall takes too much place. When it comes to the internal market, respondents would like to be able to promote nutritional information on their products, as well as the country of origin to a greater extent. They trust this would also be more in line with the current needs of European stakeholders, who pay greater attention these days to nutritional values, production methods and the country of origin of products.

Third and linked to the latter point, stakeholders highlighted that European consumers particularly value information on the country of origin of some products that are specific to a determined European country. This is particularly true for agricultural products such as cheeses (e.g. Camembert[309]). For such typical products, European consumers prefer to know that Parmigiano comes from Italy, than that it is a European product. Therefore, in these cases, stakeholders stress that European customers tend to prioritise information on the country of origin rather than the signature 'Enjoy! It's from Europe'.

SUMMARY

Our findings suggest the signature 'Enjoy! It's from Europe' to be overall relevant, although opinions on its relevance vary according to whether it is being used in the internal market or in third countries. Indeed, stakeholders tend to agree that the signature is more relevant in third countries than in the internal market, even more so when the products are new to the market. On the one hand, the signature is gaining widespread recognition in third countries, and consumers positively associate EU agricultural products to high quality, strict food safety and tradition. These perceptions are very important to achieve key objectives of the promotion policy and therefore contribute to its relevance. The outreach and relevance of the signature would be even greater if the signature was translated in the national language of the third country. On the other hand, although stakeholders generally approve of and encourage it, the signature seems to have limited relevance in Europe. This is possibly due to the fact that European consumers are already familiar with the meaning of the signature and are interested in other aspects of European agricultural products, such as their nutritional values and country of origin. Linked to the latter is the growing tendency amongst consumers to privilege local products, whenever possible. Additionally, stakeholders believe the European dimension takes too much space in internal market promotion material and would like the space to be dedicated to promoting the country or region of origin, and the brands of the products.

[308] As per see Article 4 of Reg (UE 114/2014), even if the message must not be origin oriented, origin can be part of the message a) in secondary terms(compared to the UE mention) for the communications toward the internal market and b) at the same level than the EU message for the communication toward third countries.

[309] Only Camembert de Normandie is protected by PDO.

7. ASSESSMENT OF COHERENCE

This section presents the assessment of coherence.

7.1. Introduction

Evaluation Question 5: To what extent has the promotion policy been coherent internally and externally?

COVERAGE OF QUESTION

The question to be answered – to what extent has the promotion policy been coherent internally and externally – is divided into four sub-questions in the Evaluation Question Matrix developed during the inception phase of the project:

- Sub-question 5.1: To what extent have the Commission own initiative actions and promotion programmes been coherent?
- Sub-question 5.2: To what extent has the EU promotion policy been coherent with measures implemented by Member States or private initiatives?
- Sub-question 5.3: To what extent has the EU promotion policy been coherent with other EU policies aiming at promoting consumption of EU agri-food products?
- Sub-question 5.4: To what extent has the EU promotion policy been coherent with other EU policies, in particular environment, climate change, health, trade and development?

These sub-questions refer to both the internal and external coherence of the EU promotion policy. The analysis of internal coherence explores how the different policy components (EU own initiatives and promotion programmes) operate together to achieve the policy objectives. The analysis of the external coherence explores complementarity, synergies and any potential tensions between the EU promotion policy and interventions within the same policy field at national and at EU level. It also examines the EU promotion policy within the context of other relevant EU policies.

The sub-questions under this evaluation question on Coherence are answered in this section with the data available from the document review, interviews, online surveys and case studies. The analyses rely on descriptive information about the policies and interventions relevant for the coherence question. It also incorporates the evidence collected capturing the perception of different stakeholders, including specific examples.

The following subsections provide an answer to each of the sub-questions. They follow the same structure and start with presentation of the relevant judgment criteria and background information necessary to understand the context of the sub-question. Subsequently, the evidence gathered is presented and analysed. A summary providing an answer to the sub-question concludes each sub-section.

7.2. Coherence between Commission own initiatives and promotion programmes

Sub-question 5.1: To what extent have the Commission own initiative actions and promotion programmes been coherent?

COVERAGE OF THE SUB-QUESTION

To answer this sub-question on the extent to which the Commission own initiatives and promotion programmes have been coherent, the following judgement criteria are covered:

- Extent to which Commission own initiatives address problems / needs that could not be addressed by promotion programmes;
- Extent to which Commission own initiatives add value to promotion programmes and vice versa.

The Commission's own initiatives are divided into two broad categories for the analysis of this sub-question as follows:

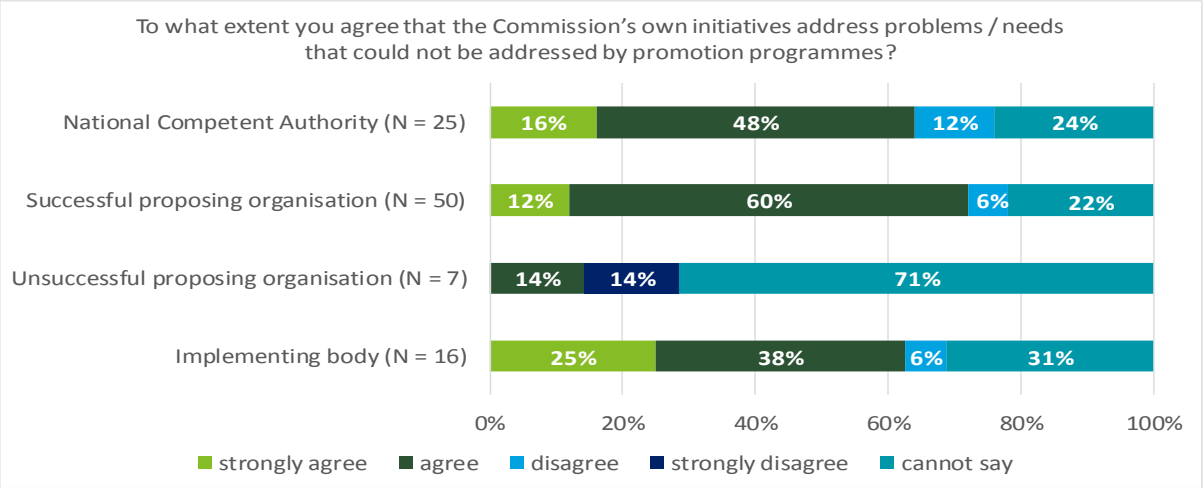
1. Activities such as business delegations, participation in international trade fairs, events in the form of study visits or seminars, communication campaigns. The objective of these actions is to facilitate market access, establish business contacts, and enhance the image of Union products with media, businesses and consumers in third countries. They are in the focus of the coherence analysis as their objectives are similar to the objectives of the promotion programmes (which can create overlaps).
2. The development and provision of technical support services, including for example the provision of relevant information about key target markets and providing support in the application and implementation phase of the promotion programmes. These are not in the focus of this analysis because their objective is to facilitate the implementation of the promotion programmes. As such, the internal coherence between the promotion programmes and this category of Commission's own initiatives is ensured *a priori*.

PRESENTATION AND ANALYSIS OF EVIDENCE

The in-depth interviews carried out for this evaluation provided information on the coherence between business delegations and promotion programmes. Business delegations are perceived as following the same objectives as the promotion programmes, while operating at a different level because of their political and strategic nature. Representatives from different DGs highlighted that business delegations are politically strategic events that have a positive impact on the regulatory framework in third countries because of the technical discussions taking place. In addition to the business programme with events, the Commissioner leading the delegation has a number of strategic political meetings, thus addressing a need that promotion programmes cannot address.

The results of the online survey also suggest that the Commission's Own Initiatives address needs and problems that cannot be addressed by the promotion programmes. The majority of respondents either strongly agree or agree with this statement (see Figure 42). The share of respondents who do so is 72% for successful proposing organisations and 64% for NCAs.

Figure 42: Perceived coherence of Commission's own initiatives and promotion programmes



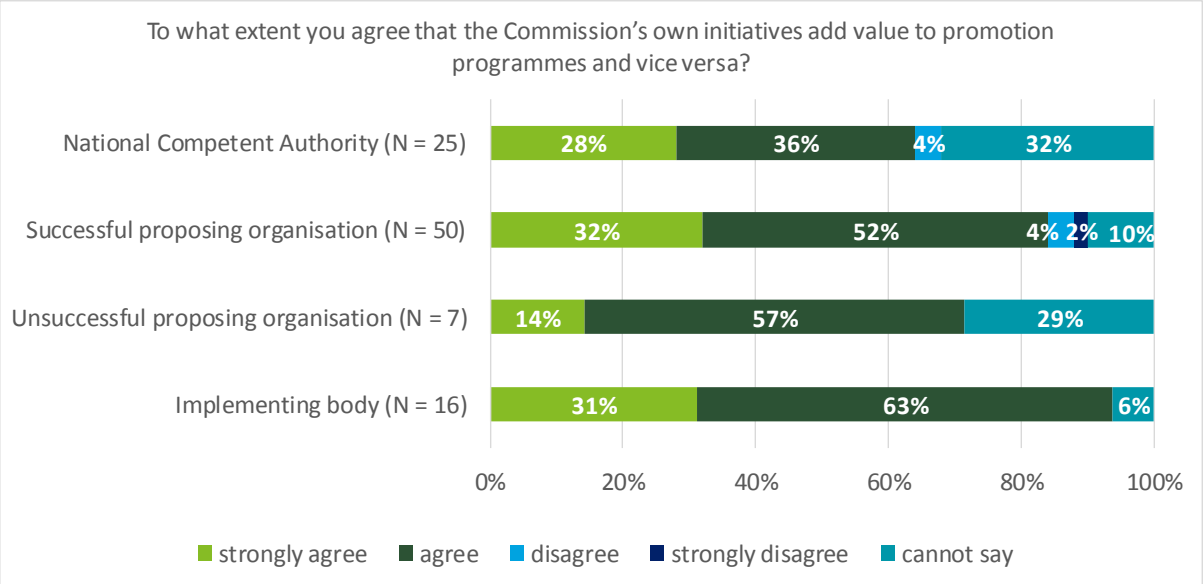
Source: Online survey of proposing organisations and IB, Online survey of NCAs

According to the interviewees from different DGs, business delegations also complement the promotion programmes because they provide a 'springboard' for proposing organisations to enter new markets in third countries, gain knowledge and understanding of these markets and establish business contacts. In this case business delegations are perceived as a useful measure to lay the groundwork before the launch of the promotion activities by proposing organisations. Due to the participation of high-ranking officials such as Commissioners, business delegations are perceived by the stakeholders interviewed as complementing the promotion programmes by granting them higher visibility.

The Commission own initiatives are selected according to the defined strategic priorities of the AWP and target the priority geographical areas, defined in the thematic priorities of the AWP that guide the selection of promotion programmes. Thus, the Commission own initiatives and the promotion programmes focus on the same key target countries, which ensures their complementarity.

The results of the online survey also suggest complementarity between the Commission's own initiatives and the promotion programmes. The majority of respondents across all respondent groups (from 64% of NCA to 94% for IB) agree or strongly agree that the Commission's own initiatives add value to the promotion programmes and *vice versa* (see Figure 43). Only one NCA and two successful proposing organisations disagreed with this statement, whilst one successful proposing organisation strongly disagreed.

Figure 43: Perceived added value of Commission's own initiatives to promotion programmes and vice versa



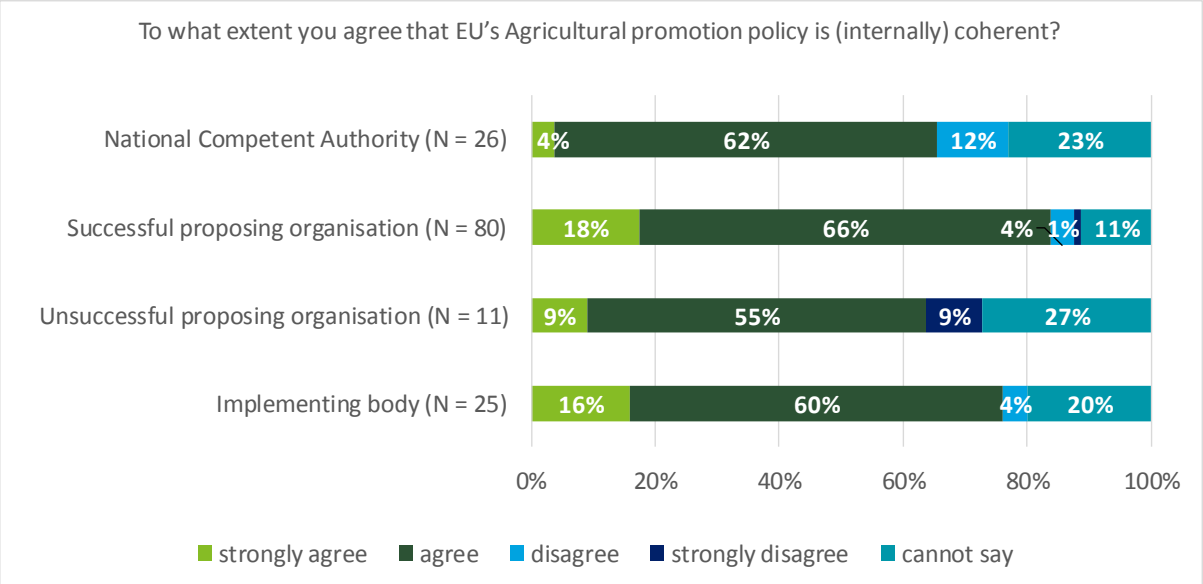
Source: Online survey of proposing organisations and IB, Online survey of NCAs

The information gathered through interviews and online surveys focuses on the coherence of the Commission's own initiatives with the promotion programmes, whilst the case studies assess the coherence between the promotion programmes.

Based on the evidence collected, the case studies (see Annex D) conclude that the promotion programmes are coherent in terms of objectives, strategies and target groups. This is the case for programmes targeting the internal and external market. That is, no programme impedes another programme's ability to successfully reach its objective. Rather, there is a positive spill over effect that might be expected between the funded programmes. For example, if an individual's awareness is increased by one programme, this may 'prime' them for engagement with another programme. In this sense, it is likely that the programmes act to complement each other. To further support this, the document review of the grant agreements of the sample of promotion programmes analysed in the case studies did not find contradictions in the objectives of the selected programmes (see Annex D).

The majority of online survey participants across all respondent groups strongly agree or agree that the EU's agricultural promotion policy is internally coherent. On average, 77% of all respondents strongly agree or agree with this statement.

Figure 44: Assessment of the internal coherence of EU's Agricultural promotion policy



Source: Online survey of proposing organisations and IB, Online survey of NCAs

There is high level of agreement across all stakeholders about the coherence of the objectives of the Commission own initiatives and the promotion programmes. However, the evidence shows that potential synergies deriving from the coherence of the objectives are not always fully realised due to limitations at the implementation level.

It is understood that some of the successful proposing organisations also participate in the business delegations and could even organise a tasting of their products within the framework of the event, which creates synergies in the implementation of the business delegation and the promotion programme. Whilst recognising the complementary value of the technical discussions at political level, interviewees from EU-wide agricultural producer organisations mentioned that the promotion programmes and business delegations are not coordinated in their implementation because they are run independently. This lack of coordination reduces the realisation of further synergies in their implementation. It appears that the design of the EU promotion policy allows for the Commission's own initiatives and promotion programmes to complement each other, but their independent implementation poses some constraints on the full realisation of potential synergies. A risk which requires careful management and transparency, is the need to ensure fair treatment of participants since including a promotion programme in the programme of the high-level missions could be perceived as treating some delegates differently.

Looking into potential synergies in the implementation of the promotion programmes, the case studies made the following observations:

- There is no interaction between the promotion programmes. For example, during the World of Perishables (WOP) trade fair in Dubai several stands for different promotion campaigns co-financed by the EU are generally present, but without implementing any particular coordination around European origin, which might have increased the visibility and impact of the promotion activities.
- Stakeholders consulted in the case studies mentioned that collaboration between programmes and mutual learning is linked to efficiency gains. This is partially the case for more experienced beneficiaries who have developed a mature marketing message: they have experience in understanding what works. Missing opportunities to share best practice with first time beneficiaries might be linked to the efficiency of implementation.

SUMMARY

Based on the findings of the in-depth interviews and online surveys, it can be concluded that the Commission's own initiatives and the promotion programmes are coherent to a large extent because they follow the same objectives and complement each other. The stakeholders consulted agree that the Commission's own initiatives are able to tackle more strategic issues that promotion programmes cannot address, such as issues relating to regulations and legal frameworks. In this way, they ease the market access for proposing organisations and complement promotion activities. In addition, stakeholders believe that the high visibility of the Commission's own initiatives due to their political nature contribute to increasing the overall impact of the promotion campaigns.

The triangulation of document review findings and stakeholders' opinions within the case studies lead to the conclusion that the promotion programmes are also highly coherent in terms of objectives and activities. Stakeholders see positive spill-over effects and expect synergies in the implementation of different promotion programmes, but these appear to not be always fully realised due to independent implementation and lack of interaction across promotion programmes. Limited coordination also appears to hinder the full additional value that the Commission's own initiatives can create for promotion programmes.

7.3. Coherence with measures implemented by MS or private initiatives

Sub-question 5.2: To what extent has the EU promotion policy been coherent with measures implemented by Member States or private initiatives?

COVERAGE OF SUB-QUESTION

To answer this sub-question on the extent to which the EU promotion policy has been coherent with measures implemented by Member States or private initiatives, the following judgement criteria are covered:

- Extent to which stakeholders believe the EU promotion policy is coherent with public / private initiatives in their Member State and why.
- Extent to which there are synergies or tensions with MS and/or private interventions.

PRESENTATION AND ANALYSIS OF EVIDENCE

In this section the evidence collected in relation to governmental activities at national level is analysed first followed by information gathered about private initiatives within the Member States.

Coherence with public initiatives

The information for answering this evaluation sub-question is based on the in-depth interviews with EU-wide agricultural producer organisations, online survey and case study results and desk research of examples of agricultural promotion activities at national level.

According to the stakeholders interviewed, the national context differs across Member States in terms of existing measures at national level. Examples of the different situation in specific Member States from the case studies confirm this observation. In some Member States, a number of government-to-government activities with the goal of trade promotion take place. Within this framework, agricultural products can be promoted as well (e.g. in Germany). In other Member States, there are dedicated funds for the

promotion of agricultural products (e.g. in Belgium)[310]. In a third group of Member States there is either no funding for such activities available (e.g. in Greece)[311] or the available budget is adapted in accordance with the availability of support at EU level in order to avoid overlap (e.g. in France)[312].

The potential synergies and overlap (or tensions) of the EU promotion policy with public initiatives at national level can be analysed in terms of objectives and implementation.

According to some stakeholders consulted, the objectives of most national promotion programmes are different from the objectives of promotion activities at EU level. For example, it was highlighted in an interview with a representative from DG TRADE that in general national measures focus mainly on the regional aspects of the products (e.g. local production, country of origin), whilst the main focus of measures at EU level is on the quality of the products and production methods. The difference in scope was also mentioned in an in-depth interview with a representative of EU-wide agricultural producer organisation.

However, this does not exclude the possibility that national trade promotion programmes in some Member States also focus on the promotion of quality, traceability, provenance of agri-food products (e.g. the Irish Food Board Bord Bia promotes products that carry quality logos under the Board Bia Quality Assurance Schemes,[313] the Italian Trade Promotion Agency promotes 'Italian quality food',[314] the German Federal Ministry of Food and Agriculture supports small and medium-sized enterprises to promote 'German quality products'[315]). For such programmes, the measures at EU and at national level are complementary since they focus on the promotion of similar products' characteristics and are likely to increase each other's outreach.

In this regard, proposing organisations, implementing organisations and national authorities consulted highlighted that the EU agricultural promotion policy is crucial to complement the support available at national level and to have a wider reach especially because national agricultural promotion budgets are limited in some Member States. The case study focusing on the promotion of European meats also reached this conclusion. As previously mentioned, national funding opportunities are different across Member States. The methodological approach applied in this evaluation does not allow us to provide a comprehensive overview of all funding opportunities for agricultural promotion in all Member States but provides evidence of countries with limited funding (e.g. Greece) and with more substantive budgets (e.g. Germany).

The results of the online survey also support the findings described above on the basis of the other data collection methods that the EU promotion policy is complementary to existing publicly funded measures at national level (see Figure 45). On average across all respondent groups 77% of all survey participants either strongly agree or agree with this statement. However, there are subtle differences across Member States. For example, 17% of the successful proposing organisations from Spain disagree compared to 14% from France and 9% from Italy.[316] This implies that the level of complementarity of the EU promotion policy is be linked to the specific national context, as mentioned in the beginning of this section.

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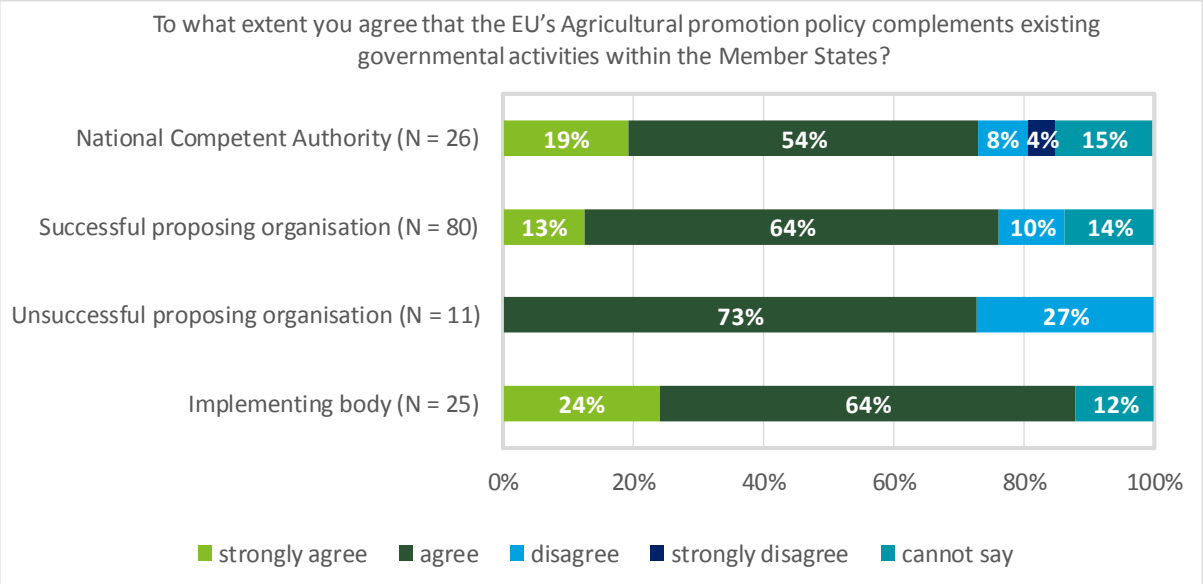
[310] Case study on Dairy products in China.
[311] Case study on Fruit and Vegetables UAE.
[312] Ibid.
[313] Bord Bia Irish Food Board, 'Bord Bia Promotions'. Available here.
[314] European Network for Food and Drink Promotion, 'The Italian Trade Promotion Agency (I.T.A)'. Available here.
[315] Bundesministerium für Ernährung und Landwirtschaft, „Förderprogramm für den Export deutscher Unternehmen der Agrar- und Ernährungswirtschaft'. Available here.
[316] Further disaggregation of the results by country of origin is not possible as the number of respondents per Member State is too low for a valid comparison with the rest of the Member States.

Figure 45: Perceived complementarity between EU's Agricultural promotion policy and governmental activities at national level



Source: Online survey of proposing organisations and IB, Online survey of NCAs

In terms of implementation, the data collected identified two potential areas of tension:

- Representatives from EU-wide agricultural producer organisations mentioned that existing national promotion measures are more flexible in design (e.g. allow to mention country of origin or brands) and therefore, preferred by proposing organisation. One of the interviewees provided a specific example of a nationally funded promotion campaign in Poland to 'eat local'. Meanwhile, the link between the existence of governmental initiatives and the participation rate of organisations was further confirmed by a counter example where the reduction of national funds available for promotion activities led to higher number of applications for the EU support in specific Member States (e.g. France). However, as discussed in the previous sections of the report (see 4.3.2), the EU agricultural promotion policy did not face undersubscription in the evaluation period. Therefore, even if the availability of national promotion programmes leads to a decreased number of applicants in certain cases, this does not hinder the successful implementation of the EU agricultural promotion policy.
- Participants in the case study focusing on EU quality schemes pointed out that they could benefit from informal cooperation with some regional projects. However, they also pointed out the need to be careful not to get funding from different sources at EU and at national level for the same activities, which would not follow promotion policy funding rules. This suggests that the complexity of funding availabilities at multiple levels (regional, national and EU) in certain cases might be a source of tension if there is no mechanism in place to guide the proposing organisations. It should however be considered that the *empirical evidence did not find specific example to further confirm this tension.*

Coherence with private initiatives

The in-depth interviews did not provide evidence regarding the coherence between the EU promotion activities and initiatives from the private sector, but it is likely that the existence of private measures differs across Member States, similarly to the existence of public measures. The methodology applied in this evaluation does not provide a complete overview of all private initiatives existing, but the case studies found examples of two private initiatives only in relation to EU quality products:

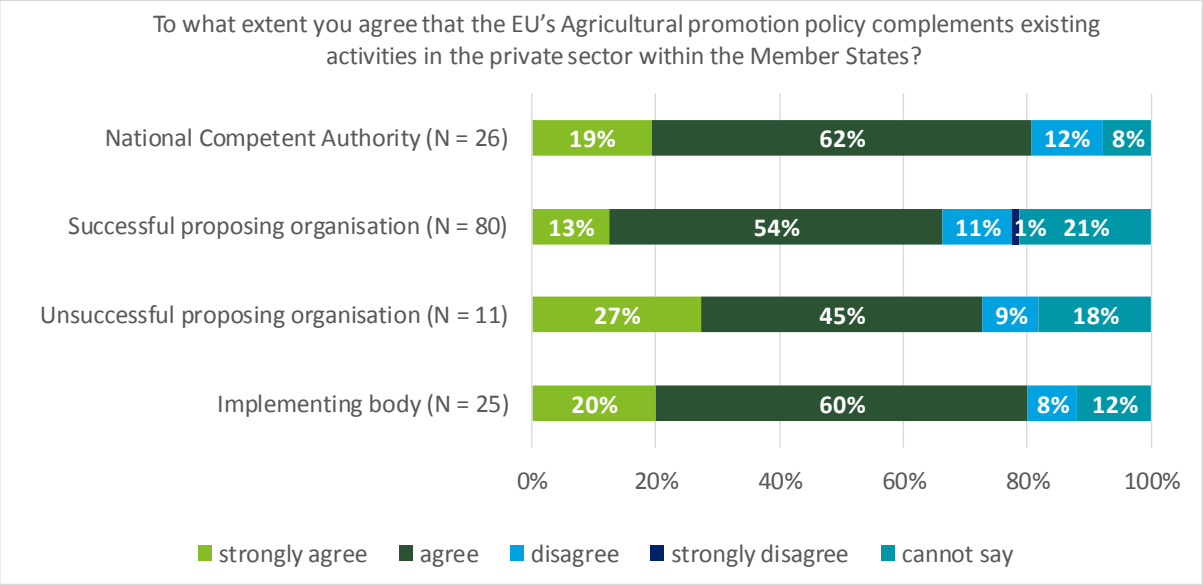
- cheese by Grana Padano Protection Consortium in Italy.

- PDO (protected denomination of origin) products in Spain.

In general, the stakeholders consulted in the case studies agree that the activities under the EU promotion policy and by private entities complement each other. The results of the online survey support this as 71% of all survey respondents either strongly agree or agree with this statement (see Figure 46)

When analysing the differences across Member States, 33% of the successful proposing organisations from Spain disagree compared to 14% from France and 10% from Italy. This result follows the pattern identified in the analysis of complementarity with governmental activities. It is possible that the survey participants from Spain were in general more negative in their assessment, but it also suggests that the national contexts differ substantially.

Figure 46: Perceived complementarity between the EU's agricultural promotion policy and activities in the private sector at national level



Source: Online survey of proposing organisations and IB, Online survey of NCAs

Compared to the assessment of complementarity between the EU promotion policy and governmental activities (see Figure 46), it is worth noting that survey respondents tend to be slightly less positive when assessing coherence with private initiatives (i.e. 7 percentage point lower). For example, successful proposing organisations appear to see more complementarity between the EU's agricultural promotion policy and national activities (77% strongly agree or agree) compared to complementarity with activities in the private sector (67% strongly agree or agree). the case studies provided some indications of potential tensions between the EU promotion measures and private initiatives that might explain this slightly less positive assessment:

- The promotion of EU quality products competes with the promotion of private signatures and guarantee marks of autonomous communities (term referring to first-level political and administrative division in some Member States such as Spain);
- Private initiatives combine the promotion of EU quality products with other products using a brand specific signature (i.e. unofficial quality label). As a result, end consumers are confronted with a multiple number of schemes and labels, which makes it difficult for them to make a distinction and recognise the specific value of each scheme or label.

It is worth noting that the share of participants who perceive the measures as complementary is above 60% across all respondent groups. Therefore, the areas of

tension identified should be regarded as moderate concerns within a generally positive trend. In addition, the case study participants outlined a number of synergies between the EU promotion activities and private measures:

- Promotion measures under the EU allow private initiatives to further enhance their outreach and thus, lead to a higher impact;
- Promotion measures aligned with sales activities from private entities can further enhance the results. However, this synergy is still not sufficiently used.

SUMMARY

The evidence suggests that the level of coherence of the EU promotion policy and public and private initiatives at national level is generally high. But it varies depending to a large extent on the national context since the availability of funding possibilities at national level differs across Member States.

Overall, the results of the analysis show that the EU promotion policy measures are coherent with public initiatives at national level. This judgment is based on the triangulation of stakeholders' opinions with desk research of initiatives at certain Member States but does not include a comprehensive overview of all initiatives at national level. National promotion initiatives that also focus on the promotion of quality products are perceived by stakeholders as complementary because they enhance the outreach of promotion activities and fill in gaps at national level. Furthermore, no areas of tension impeding the implementation of the EU agricultural promotion policy was confirmed by the analysis. To conclude, the nature of interaction between EU and national public promotion measures might vary across national contexts, but the evidence suggests that different measures are coherent.

In the case of private initiatives at national level, the findings of the case studies based on examples of two such initiatives suggest that they follow the same objective as the EU agricultural promotion policy since they also promote EU quality schemes and thus, can benefit from enhanced outreach. Whilst there might be some tension in implementation arising from the promotion of locally established quality labels in parallel to the EU quality schemes in certain regions, the EU promotion programmes complement and enhance the outreach of private initiatives.

7.4. Coherence with other EU policies

Sub-question 5.3: To what extent has the EU promotion policy been coherent with other EU policies aiming at promoting consumption of EU agri-food products?

Sub-question 5.4: To what extent has the EU promotion policy been coherent with other EU policies, in particular environment, climate change, health, trade and development?

COVERAGE OF SUB-QUESTIONS

Both sub-questions are analysed in parallel because some of the policies in focus overlap. Thus, the evidence is presented in more comprehensive way and avoiding repetition.

To answer the sub-question on the extent to which the EU promotion policy has been coherent with other EU policies aiming at promoting consumption of EU agri-food products, the following judgement criteria are used:

- Consistency between objectives and procedural elements of the policy and other relevant DG AGRI, DG REGIO, DG MARE and DG SANTE programmes.
- Extent to which there are synergies or tensions between relevant EU policies (e.g. in terms of eligibility rules and application processes).

To answer the sub-question on the extent to which the EU promotion policy and other EU policies have been coherent, the following judgement criteria are used:

- Extent to which stakeholders believe the policy is coherent with environment and climate change / health / trade / development policy objectives.
- Extent to which there are synergies or tensions with other EU policies.

Sub-question 5.3 specifies only the promotion of consumption of EU agri-food products as an aim of the policies to be analysed. This phrasing is linked to the definition of the general and specific objectives of Regulation (EU) No 1144/2014. However, promotion activities under the EU promotion policy also aim to increase information and awareness about consumption of certain products and quality schemes/their logos like organic or PDO, especially alcohol and fruits and vegetables. The coherence of these objectives will also be explored.

In order to better structure the analysis, the objectives of the relevant policy areas are covered, followed by an introduction of the procedural elements of the programmes of interest within this policy area. The potential links to the EU agricultural promotion policy are then explored, as well as the level of coherence, including potential synergies or overlaps.

PRESENTATION AND ANALYSIS OF EVIDENCE

Coherence with other EU agricultural policies

The objectives of the Common Agricultural Policy (CAP) are defined in Article 39 of The Treaty on the Functioning of the European Union. They intend to protect both producers and consumers. More particular, the objectives aim to increase agricultural productivity, ensure a fair standard of living for the agricultural community, stabilise markets, assure the availability of supplies and ensure that supplies reach consumers at reasonable prices.[317] The CAP is based on two 'pillars' in order to achieve its objectives.

First pillar of the CAP

The first pillar includes two aspects – the Common Market Organisation (CMO) in agricultural products that provides the framework for financing market measures[318] and the direct payments to farmers.[319] The measures of the first pillar are financed by the European Agricultural Guarantee Fund (EAGF). The EU's promotion policy falls within the category of market measures. Other measures within this category include sector-specific aid schemes and the school fruit, vegetables and milk scheme, which are further analysed below.

The objective of the sector-specific aid schemes is to support EU agricultural sectors in adapting to changing market conditions and in increasing their competitiveness and sustainability. The types of supporting measure for different sectors are defined in Regulation (EU) No 1308/2013.

As part of the sector-specific support measures foreseen for the wine sector, Article 45 of Regulation (EU) No 1308/2013 sets out the possibility and conditions for carrying out promotion activities. On the internal market, they focus on promoting EU quality schemes and campaigns concerning responsible consumption and alerting for damages of excessive wine consumption. On the external market, the promotion activities aim at

[317] Consolidated version of the Treaty on the Functioning of the European Union, Article 39.
[318] Defined in Regulation (EU) No 1308/2013.
[319] Defined in Regulation (EU) No 1307/2013.

increasing market access. The CAP measures applicable to the wine sector were subject to a recent evaluation, published in 2019.[320]

The promotion of wine within the EU promotion policy (Regulation 1144/2014) is possible only as part of a basket with other products for simple programmes and alone for multi programmes. On the internal market, it can incorporate only promotion of EU quality schemes or information regarding the responsible consumption of wine.

Table 29 provides a comparative overview of the two policies:

[320] Agrosynergie EEIG, Directorate-General for Agriculture and Rural Development, Evaluation of the CAP measures applied to the wine sector, 26 March 2019, Available here.

Table 29: Comparative overview of wine support measures under Regulation 1308/2013 and wine promotion programmes under Regulation 1144/2014

	Regulation 1308/2013	Regulation 1144/2014
Beneficiaries	Professional organisations, wine producer organisations, associations of wine producer organisations, temporary or permanent associations of two or more producers, inter-branch organisations. In addition, private companies are eligible for measures in third countries.[321]	Trade or inter-trade organisations, producer organisations or associations of producer organisations, legally established agri-food sector bodies the objective and activity of which is to provide information on, and to promote, agricultural products and which have been entrusted, by the Member State concerned, with a clearly defined public service mission in this area.
Implementation	Measures are defined by the Union but selected by Member States in accordance with needs of regional bodies. Member States are responsible for the implementation of such programmes.	Shared management for simple programmes. Direct management for multi programmes.
Provisions regarding promotion measures	Internal market: informing consumers about the responsible consumption of wine and about the Union systems covering designations of origin and geographical indications. External market: improving competitiveness of eligible wines	Internal market: informing consumers of EU quality schemes and of the responsible consumption of those beverages. External market: no limitation to information on responsible consumption. Part of a basket for simple programmes, alone for multi programmes.
Eligible wines	Wines with a designation of origin or a protected geographical indication or wines with an indication of the wine grape variety.	Wine with designation of origin or protected geographical indication status and wine carrying an indication of the wine grape variety.
Support rate	50%	70%, 80% and 85%

As shown in Table 29, the objectives of both policies regarding promotion of wine products on the internal and external market are the same and thus, consistent. There is no risk of overlap between the measures, ensured by the rules set out in the CMO Regulation. The sector-specific support is provided within the framework of National Support Programmes which have to include clear demarcation criteria to avoid double-

[321] Defined in Article 3, Delegated Regulation 2016/1149.

funding.[322] Therefore, it is ensured that the beneficiaries of the sectoral and horizontal support are different. Since the measures implemented follow the same objective, it can be expected that they complement each other by enhancing the overall impact of the promotion and information campaigns.

However, as shown in Table 29, there are some inconsistencies in the procedural elements applied (e.g. private companies can be beneficiaries under the sector-specific support targeting the external market, measures on the internal market do not have to be part of a basket approach under the sector specific support and the co-financing rates differ). There is no evidence that these inconsistencies lead to tension in the implementation of both policies. For example, stakeholders consulted in the case study on the promotion of wine, beer, spirits and vinegar in the USA found CMO-related support available under the CAP first pillar coherent with the EU promotion policy.

The sector-specific support measures also address the fruit and vegetable sector. National Authorities define national strategies, within which producer organisations implement operational programmes. The beneficiaries of these support measures, as defined in Regulation (EU) 1234/2007, Section 3, Article 32, are 'producer organisations in the fruit and vegetables sector and/or their associations'. The support available under the EU agricultural promotion policy covers producer organisations, trade or intra-trade associations and legally established agri-food sector bodies, thus being broader in scope.

Amongst others, funding provided within the sector-specific support measures is available for promotion and communication activities in order to improve marketing. Actions include generic promotion and promotion of quality labels as well as promotion of protected geographical indications. [323] Measures can also be implemented in the case of a market crisis. These can be carried out only in addition to any on-going promotion and communication actions as defined in the Implementing Regulation.[324] Annex I of Regulation (EU) 1234/2007 defines the eligible products from the fruit and vegetable sector (Part IX fruit and vegetable and Part X processed fruit and vegetable products).

The objectives are therefore consistent with the objectives of the EU promotion policy that also foresees specific measures in case of market disturbances and promotion of EU quality schemes.

Linked to the promotion of fruits and vegetables, CMO Regulation also defines measures to improve the access to food. Pursuing the objective of increasing consumption and to promote a healthy lifestyle and diet amongst children, the school fruit, vegetables and milk scheme[325] includes three measures - distribution of products, educational measures and distribution of information materials. The implementation of the scheme is based on national strategies, developed by the Member States, outlining the measures and products they would like to receive aid for.[326]

In terms of thematic priorities, the objectives of the school fruit, vegetables and milk scheme are in line with the sectoral priority set by the AWP 2019 of the EU's promotion policy. The Annual Work Programme 2019 defines the promotion of fruit and vegetables as one of the sectors to receive a dedicated budget allocation in order to promote healthy dietary practices.

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[322] Commission Delegated Regulation (EU) 2016/1149 of 15 April 2016 supplementing Regulation (EU) No 1308/2013 of the European Parliament and of the Council as regards the national support programmes in the wine sector and amending Commission Regulation (EC) No 555/2008.

[323] Implementing Regulation (EU) No 543/2011, defined in Annex IX, 15 List of actions and expenditure not eligible under Operational programmes referred to in Article 60(1).

[324] Implementing Regulation (EU) No 543/2011.

[325] Regulation (EU) No 1308/2013, Article 23 and 26.

[326] Commission Implementing Regulation (EU) 2017/39.

In terms of measures implemented, activities in schools are also eligible under the EU agricultural promotion policy,[327] thus complementing the educational measures and communication activities funded under the school fruit, vegetables and milk scheme. Only 5% of the scheme's budget was spent on such activities in the 2017/2018 school year, whilst the rest was used for the supply and distribution of school fruit, vegetables and milk. [328] Previous evaluation of the European school milk and European school fruit schemes also conclude complementarity between the measures and CAP objectives, including EU information policies.[329]

Second pillar of the CAP

The second pillar of the CAP relates to EU's rural development policy. It provides support for the implementation of rural developments programmes[330] designed by the Member States to address their specific needs and problems. The measures are co-funded with the European agricultural fund for rural development (EAFRD) and national and regional funds. Member States develop Rural Development Programmes (RDP) that incorporate at least four of the six Policy Priorities for EAFRD 2014 – 2020.

Amongst all RDP measures, the ones that support agricultural quality products are relevant for the analysis of coherence. The measures aim at supporting the development of quality and organic food and farming and do so through practical initiatives targeting mainly the direct producers (i.e. individual farms). Examples for specific measures include implementing quality and traceability policies, developing supply chains and marketing platforms.[331] Furthermore, information and promotion activities can be implemented by groups of producers in the internal market, concerning products covered by a quality scheme.[332] In terms of objectives, the Rural Development Programmes of DG AGRI are in line with the objectives of the EU promotion policy, as the promotion of EU quality schemes, specific features of agricultural methods in the Union and the characteristics of European agricultural and food products are recurring thematic priorities in all Annual Work Programmes. In terms of procedural elements, *there are no conflicts since both measures target different groups.*

SUMMARY

The evidence shows that the EU agricultural promotion policy and sector-specific support for the wine sector, defined in Regulation 1308/2013, are coherent to a certain degree, since their objectives are consistent, the measures do not overlap in implementation and are likely to enhance each other's impact. However, the lack of consistency of some specific procedural elements slightly lessens the level of coherence.

At the same time, the EU agricultural promotion policy is coherent to a large extent with sector-specific support measures focusing on the fruit and vegetables sector. The policies are consistent in objectives, with no risk of overlap in implementation. Since the budget share of the school fruit, vegetable and milk scheme dedicated to promotion measures is very small (only 5% in 2017/2018), promotion measures implemented within the framework of Regulation 1144/2014 at schools complement the sector-specific support measures.

Last, but not least, the EU agricultural promotion policy is also coherent to a large degree with RDP measures, supporting agricultural quality products and part of the second pillar

[327] Defined in Section 6.2. Eligible activities in the call for proposals.
[328] European Commission, 'Monitoring report, The EU school fruit, vegetables and milk scheme', Available here.
[329] AFC Consulting Group AG, DG AGRI, Evaluation of the European School Fruit Programme, 2012, Executive summary, Available here. And AFC Consulting Group AG, DG AGRI, Evaluation of the European School Milk Programme, 2014, Executive summary, Available here.
[330] Defined in Regulation (EU) No 1305/2013.
[331] DG AGRI, 'EU Rural Review Number 8', Available here.
[332] Regulation (EU) No 1305/2013. Article 16, Quality schemes for agricultural products, and foodstuffs.

of the CAP. Their objectives are consistent, but target groups different, which ensures that the measures implemented complement each other.

Overall, the EU agricultural promotion policy is largely consistent with the objectives and procedural elements of broader agricultural policies aiming at increased consumption of agri-food products.

Coherence with EU trade policies

In relation to the external market, one of the main objectives of the EU trade policy is to make market access for EU exporters easier. In order to achieve this objective, the European Commission cooperates with Member States and EU businesses within the EU Market Access Partnership.[333] The main instruments to achieve this goal are Free Trade Agreements (FTA) and their Trade and Sustainable Development (TSD) chapters, bilateral and multilateral agreements, but also reducing technical and Sanitary and phytosanitary (SPS) barriers.[334]

In 2017, EU trade with third countries in agricultural products accounted for 7.3% of the total EU28 international trade.[335] The exports to the internal market (i.e. among EU Member States) constitute the bulk of EU28 agri-food exports, but looking at the evolution of agri-food extra-EU exports shows that the absolute value has increased from €131 236 million in 2016 to €137 528 million in 2018. This highlights the growth potential of third country markets. The EU agricultural promotion policy follows the objective to enhance the competitiveness of the EU agricultural sector and can therefore contribute in this regard (see section 4.2.5).

The importance of maintaining and boosting the market share of European agricultural products and of targeting new emerging markets is stressed in the European Parliament resolution 'Promotion measures and information provision for agricultural products', highlighting that this should be done with 'greater coherence between promotion and EU trade policy.'[336] The objectives of both policies aim at increasing the market share and competitiveness of EU agri-food products and as such are consistent.

Whether the two policies in question are complementary would depend on the extent to which the design of the EU promotion policy corresponds to developments in trade policy. According to stakeholders from DG TRADE and DG GROW consulted via the in-depth interviews, the EU agricultural promotion policy complements EU external market trade policies. Policies aiming at opening new markets through FTA, bilateral or multilateral agreements are perceived as setting the necessary framework for promotion programmes to be effective in increasing sales, which is why it is important for the markets identified as relevant in the AWP to mirror developments in trade negotiations.

The process of setting priorities of the AWP ensures that these developments and further relevant factors are taken into consideration. The basis of drafting the AWP each year is an analysis of developments in EU trade policy. As explained in the AWP, the macro-economic analysis carried out takes into consideration the projected increase in imports across products in emerging markets, imports' growth potential and policy evaluation of FTA and potential removal of Sanitary and Phytosanitary Standard barriers. In addition to this analytical work, coordination tools such as regular meetings and participation in Market Access Working Groups between DG TRADE, DG SANTE and DG AGRI enhance information flow and exchange regarding market access issues and developments

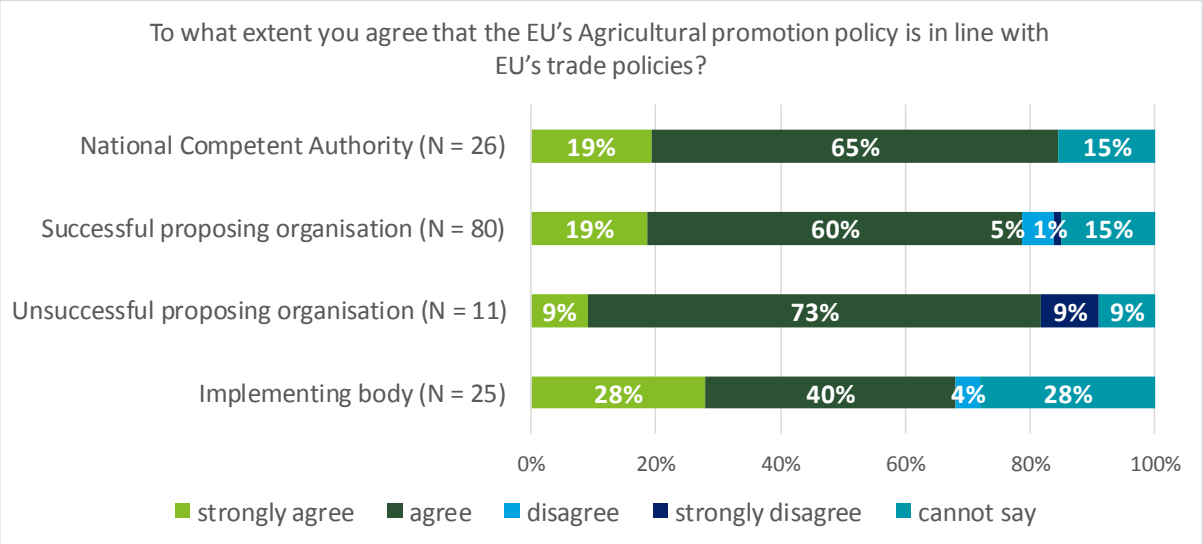
[333] DG TRADE, Global Europe - A stronger partnership to deliver market access for European exporters, January 2008, Available here.
[334] DG TRADE, 'The EU main market access policies', Available here.
[335] DG AGRI, Agriculture in the European Union and the Member States - Statistical factsheets, May 2018.
[336] European Parliament resolution of 20 November 2012 on promotion measures and information provision for agricultural products: what strategy for promoting the tastes of Europe.

between institutions involved. These processes ensure that the AWP take into consideration markets with the highest growth potential.

The focus of the promotion programmes on the markets with the highest growth potential was also recognised by stakeholders interviewed as ensuring complementarity as it considers developments in international trade negotiations. Interviewees did not point out inconsistencies regarding the relevance of the identified third countries in the AWP over the reference period of the evaluation, which further confirms that.

Proposing organisations participating in the case study on promotion of spirits, alcoholic beverages, wine and vinegar in the US highlighted that the EU agricultural promotion policy is also coherent with the focus of EU trade policy on supporting SMEs and rural producers. This suggests that the policy is coherent externally by focusing on the right markets, but also internally by supporting target groups identified as relevant by EU trade policy. The case studies focusing on other product sectors (e.g. fruit and vegetables and dairy) also confirmed the consistency of the EU agricultural promotion policy with EU trade policies aiming to strengthen the resilience of the sectors. Participants in the online survey also perceive EU's agricultural promotion policy and EU's trade policies as largely coherent. The share of respondents that strongly agree or agree that the two policies are coherent ranges from 68% for IB to 82% for unsuccessful proposing organisations.

Figure 47: Assessment of the coherence of the EU's Agricultural promotion policy with EU's trade policies



Source: Online survey of proposing organisations and IB, Online survey of NCAs

Whilst stakeholders consulted in in-depth interviews agree that the focus of the promotion policy on EU quality schemes is consistent with broader EU trade policies (as these products are the ones with the highest growth potential), the opposite perspective was highlighted by some stakeholders consulted in the case studies. More particularly, the market for labels is overcrowded and any promotional activity would need to spend more in order to generate the same amount of recognition than would otherwise be generated with fewer funds in a less crowded market. Since the focus of the case study mentioning this perspective was on the internal market, this divergence of opinion could be due to different growth potential of EU quality scheme products on the internal and external market. In general, interviewed partners also highlighted that a stronger focus of the promotion activities on the external market would be more beneficial since the external market is larger and has a higher growth potential.

SUMMARY

The objectives and design of the EU agricultural promotion policy are coherent to a large extent with trade policies targeting the external markets. The two policies are complementary since EU trade policy aims at ensuring market access, whilst EU agricultural promotion policy supports proposing organisation in entering this market. The design of the EU agricultural policy with AWP that take into consideration developments in trade policy and a number of coordination mechanisms ensures that the external target markets defined in the EU agricultural promotion policy are consistent, and thus complementarity can be achieved.

The level of coherence between the two policies also depends on the extent to which the types of products promoted correspond to products with the highest growth potential. From trade's perspective, the focus on EU quality schemes on the internal market lessens the level of coherence since the market for labels is overcrowded.

Overall, no area of tension between the EU agricultural and trade policies was identified. However, whilst there is a high level of coherence with regards to the targeting of the external market, this is less so the case on the internal market.

Coherence with EU maritime and fishery policies

The objectives of the Common Fisheries Policy, as initially defined in Articles 38-43 TFEU, are to preserve fish stocks, protect the marine environment, ensure the economic viability of European fleets and provide consumers with quality food. A reform in 2002 added the sustainable use of living aquatic resources as an additional objective.[337] The European Maritime and Fisheries Fund (EMFF), implemented by the development of operational programmes in each Member State, supports financially the achievement of these objectives. Marketing measures can also be included as measures in the operational programmes of the Member States, defined in Article 68 of Regulation (EU) No 508/2014. More specifically, EMFF support can be used for 'conducting regional, national or transnational communication and promotional campaigns, to raise public awareness of sustainable fishery and aquaculture products'.[338]

The promotion of fishery and aquaculture products is possible under the EU agricultural promotion policy, but only in association with another agricultural or food product, thus avoiding tensions in eligibility rules. In terms of objectives, information provision and promotion measures undertaken within the framework of the EU agricultural promotion policy aim to highlight specific features of production methods, also in terms of respect for the environment and sustainability,[339] further confirming the consistency across the two policies. This evidence shows that the two policies are coherent, also confirmed by representative from DG MARE consulted during the data collection.

With regards to the implementation of promotion programmes, it was highlighted in the in-depth interview that there are no specific promotion campaigns funded by DG MARE, which is why there is also a lot of interest on behalf of proposing organisations from the fisheries sector to participate. However, it is challenging for producers from this sector to coordinate with other agri-food sectors in order to submit a proposal for a basket of products. This is not perceived by the stakeholders as an inconsistency due to the clear understanding that the EU promotion policy is a dedicated fund focusing on the agricultural sector.

[337] European Parliament, Think Thank: The Common Fisheries Policy: origins and development, January 2018. Available here.
[338] Regulation (EU) No 508/2014, Article 69, 1g.
[339] Regulation (EU) No 1144/2014, Article 3.

SUMMARY

To sum up, the desk research and evidence collected shows that the EU agricultural promotion policy is consistent with the objectives and procedural elements of EU maritime and fishery policies. There is no promotion policy implemented at EU level that focuses only on maritime and fisheries, which means that the EU agricultural promotion policy is often the only option for proposing organisations to participate in promotion activities. As a result, there is high level of coherence between the EU agricultural promotion policy and EU maritime and fishery policies.

Coherence with EU health policies

The EU health policy follows the objectives to protect and improve the health of EU citizens, support the modernisation of health infrastructure and improve the efficiency of Europe's health systems.[340] To this end, it complements national policies, encourages cooperation between Member States and provides support to their actions, and fosters cooperation at global level with third countries and competent international organisations. The Third Health Programme is the financial instrument contributing to the achievement of these objectives, based on Regulation (EU) 282/2014. The actions vary in scope (e.g. promotion and monitoring activities, studies, conferences and operating grants) and the possible beneficiaries include public authorities, NGO's and public sector bodies.[341]

Promoting healthy lifestyles

One of the four specific objectives of the Third Health Programme is 'the promotion of health, prevention of diseases, and fostering of supportive environments for healthy lifestyles', with one thematic priority being 'Risk factors such as use of tobacco and passive smoking, harmful use of alcohol, unhealthy dietary habits and physical inactivity'.[342] In addition, the European Commission launched in 2006 the *EU strategy to support Member States in reducing alcohol related harm*, with one of its five priorities being 'inform, educate and raise awareness on the impact of harmful and hazardous alcohol consumption and on appropriate consumption patterns'.[343]

The desk research of the broader policy framework and the in-depth interviews at EU level point out at two areas of particular importance when discussing the promotion of agricultural products – alcohol consumption and balanced nutrition.

<u>Alcohol consumption</u>

EU agricultural promotion measures for beer, wines and spirits on the internal market are limited to the provision of information regarding the responsible consumption of alcohol and / or to the promotion of EU quality schemes products. In addition, promotion of wine on the internal market can take place only in a basket with other products.

The following table illustrates the share of the EU agricultural promotion policy budget spent on the promotion of products of the category 'alcoholic beverages' for the period 2016 to 2019:

[340] Based on TFEU, Article 168.
[341] DG SANTE, 'Third Programme for the Union's action in the field of health - Work Programme for 2019'. Available here
[342] Based on Article 51 of Regulation (EC) No 882/2004 and Article 2 of Council Directive 2000/29.
[343] COM/2006/0625 final 'Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions an EU strategy to support Member States in reducing alcohol related harm'.

Table 30: Share of budget spent on eligible alcoholic beverages

	Share of total budget spent on the internal market	Share of total budget spent on the external market
Total	**6.48%**	**16.83%**
Beer	0.14%	0.79%
Spirits, liqueurs and vermouth	0.61%	3.29%
Wine, cider and vinegar	5.74%	12.74%

Source: Own calculation based on spending per product provided by DG AGRI

From the total budget spent on the promotion of eligible beer, wines and spirits within the EU agricultural promotion policy, only 23% was used by promotion programmes targeting the internal market, which clearly shows that the majority of activities were aiming at third country markets.

The implementation of information measures on the responsible consumption of eligible beer, wines and spirits is consistent with the specific objective under the Third Health Programme to reduce harmful alcohol consumption. However, the extent of coherence also depends on the consistent application of the definition of 'responsible alcohol consumption', which is defined at Member State level. Since the proposals of the promotion programmes have to be aligned with policies at national level in this regard, there is no evidence suggesting limited coherence between the EU agricultural promotion policy and EU health policies in the reference period for this evaluation.

Nevertheless, it should be noted that there are recent debates suggesting that any amount of alcohol consumption is harmful, based on which representatives from DG SANTE consulted during the in-depth interviews see any EU agricultural promotion activities linked to beer, wines or spirits as contrary to EU health objectives. However, at the same time the recent paper of the Committee on National Alcohol Policy and Action, which was established by the European Commission as part of the EU Alcohol Strategy in 2006 and includes delegates from the Member States, states: 'risk of alcohol-related harm depends on the volume of alcohol drunk, on the drinking pattern (with heavy drinking occasions as the most harming pattern), and in some cases on the quality of the product.[344] Since the alcohol-related harm depends on the volume of alcohol drunk, there is no evidence suggesting limited coherence between the EU agricultural promotion policy and EU health policies.

Furthermore, only spirit drinks with a protected geographical indication and wine with designation of origin or protected geographical indication status and wine carrying an indication of the wine grape variety are eligible for the EU agricultural promotion policy. The promotion of products of high production standards is consistent with the EU health policy objective to ensure high level of safety for consumers. In addition, research[345] looking into the evolution of wine consumption finds a link between increased product

[344] Committee on National Alcohol Policy and Action, Alcohol and Health – fundaments for a common approach, 2018. Available here.

[345] La consommation de vins dépassera 207 milliards de dollars américains d'ici 2022, prévoit l'étude Vinexpo/IWSR, FranceAgriMer, finds that in France, the average price payed for wine by French consumers has grown up while quantities have decreased. In addition, Beck, Fr. and Richard, JB, Alcohol use in France, La Presse Medicale, Volume 43, Issue 10, Part 1, October 2014, p. 1067 - 1079 concludes that the decrease of alcohol consumption in France is linked to people choosing to drink less red wine, but of better quality.

quality and decreased consumption. Following this 'better but less' argument suggests that promoting spirits and wine of better production standards might be contributing to reduction of alcohol consumption.

The EU agricultural promotion policy for eligible wine, beers and spirits on the external market is not subject to the same constraints as activities on the internal market. Whilst stakeholders representing proposing organisations and National Authorities consulted do not see a major inconsistency with the objectives of the EU health policy, it was highlighted by a small share of interviewees at EU level that such a distinction might be perceived as applying double-standards at global level and therefore, contradict the role of the EU as a promoter of healthy lifestyles.

Healthy dietary practices

As already mentioned in relation to the school fruit, vegetable and milk scheme, the 2019 Annual Work Programme recognises the need for promotion of healthy dietary practices within its thematic priorities. In particular, the AWP 2019 has envelopes allocated to both simple and multi programmes targeting the internal market in order to highlight amongst other things 'nutritional and health aspects (including proper dietary practices and responsible consumption of eligible alcoholic beverages)'[346]. Even though the AWP 2020 is not within the scope of this evaluation, it is worth noting that it also includes budgets for promotion programmes focusing on healthy dietary practices. Furthermore, the EU promotion policy support of the fruit and vegetable sector is recognised as one of the instruments in realising the actions of the Tartu Call for healthy lifestyles.[347]

Looking into the allocation of the budget across product types, the largest share of the total EU agricultural promotion budget in the period 2016 to 2019 was allocated to the promotion of meat and meat products, including live animals (24% of total budget), followed by dairy products (19% of total budget) and fresh fruit and vegetables (16% of total budget).[348]

Analysing the types of products that received the largest budget share on the internal and external market shows that fruits and vegetables received a higher budget share on the internal market compared to the external market, whilst meat and meat products received the largest share on both market:

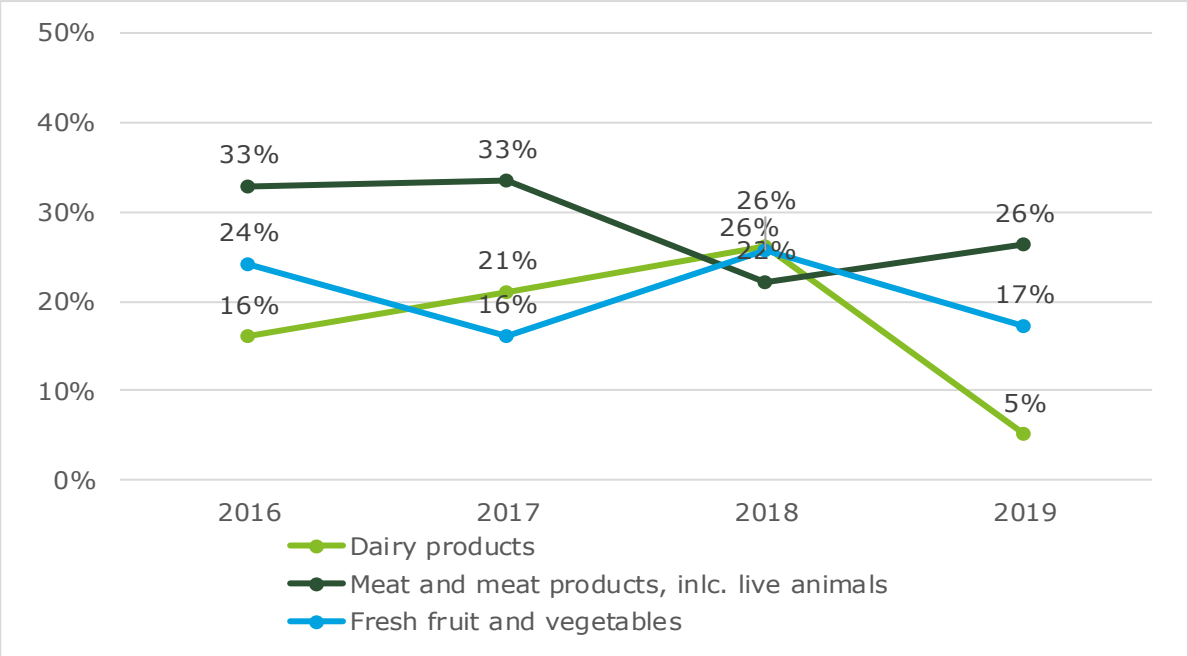
- **Internal market:**
  - meat and meat products, including live animals (28% of the total budget on the internal market);
  - fresh fruit and vegetables (20% of the budget on the internal market);
  - dairy products (18% of the budget on the internal market).

- **External market:**
  - meat and meat products, including live animals (21% of the total budget on the external market);
  - dairy products (21% of the budget on the external market),
  - alcoholic beverages (17% of the budget on the external market);
  - fresh fruit and vegetables (12% of the budget on the external market).

The following graph illustrates the budget share of each of these products from the total budget spent on the internal market per year. The graph does not show a coherent tendency.

[346] AWP 2019.
[347] European Commission, 'The Tartu Call for a healthy lifestyle – where are we two years later?'. Available here.
[348] Calculation of the shares is based on overview data provided by DG AGRI.

Figure 48: Budget share spent on dairy, meat and meat products, fresh fruit and vegetables in the period 2016 to 2019



Source: Own calculation based on data provided by DG AGRI

The focus on promotion of fruits and vegetables was positively commented in in-depth interviews with stakeholders at EU level, especially given the data showing that the fruits and vegetables intake amongst the EU population is insufficient.[349] However, analysis from 2017 by the European Environment Agency roughly indicates that the average protein[350] intake of the EU population is substantially above the minimum required for a healthy diet, which would imply the need to reduce meat consumption from a health perspective.[351] This observation was also highlighted in in-depth interviews with representatives from DG SANTE and an NGO. In this particular case, the evidence suggests that the level of coherence between the two policies depends on the extent to which the budget share allocated to the promotion of specific products corresponds to trends in their under- and overconsumption or to scientific evidence regarding their nutritional value and impact on human health. As such, in the example given, scientific evidence suggesting the need to increase consumption of fruit and vegetables, should lead to higher budget share dedicated to this type of product.

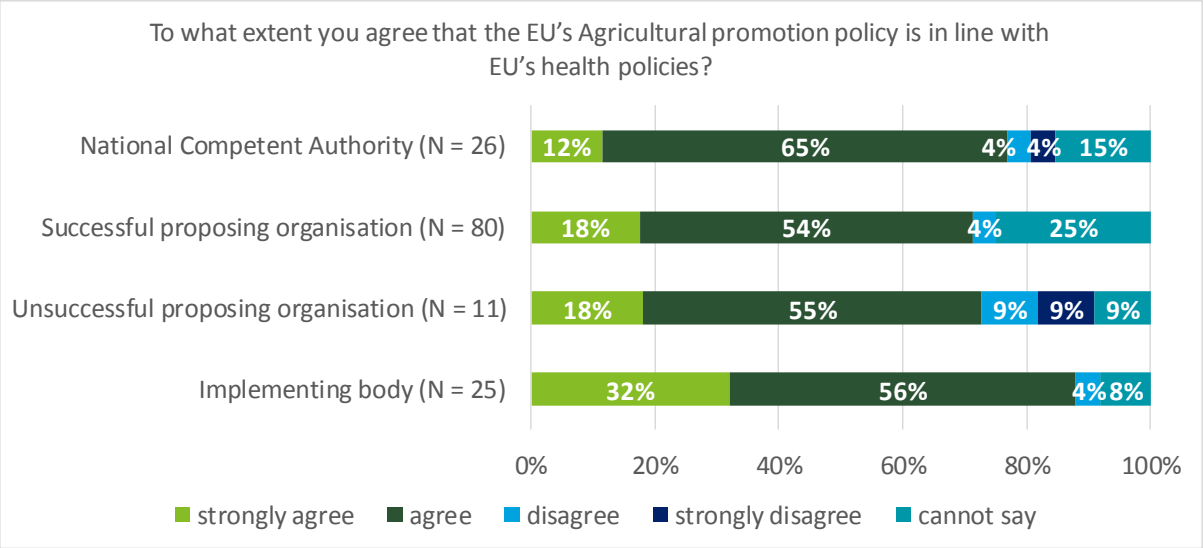
The majority of respondents across all respondent groups from the online survey strongly agree or agree that the EU agricultural promotion policy is in line with the EU health policy. It should be taken into consideration that this question involves multiple layers, as just discussed in the previous paragraphs, which is why the broader opinion of stakeholders consulted through the online survey might differ from the views of experts on the topic consulted through in-depth interviews:

[349] Only 14.1% of the EU adults consume 5 portions (equivalent to 400g) of Fruit and Vegetables per day as recommended by most food based dietary guidelines, according to the EU science hub based on analysis of the European Food Safety Authority (EFSA) Comprehensive Food Consumption database (EFSA database). Available here.

[350] Meat and dairy are main sources of protein in a diet.

[351] European Environment Agency, Food consumption — animal-based protein, 6 December 2017. Available here.

Figure 49: Assessment of the coherence of the EU's Agricultural promotion policy with EU's health policies



Source: Online survey of proposing organisations and IB, Online survey of NCAs

Promoting food safety

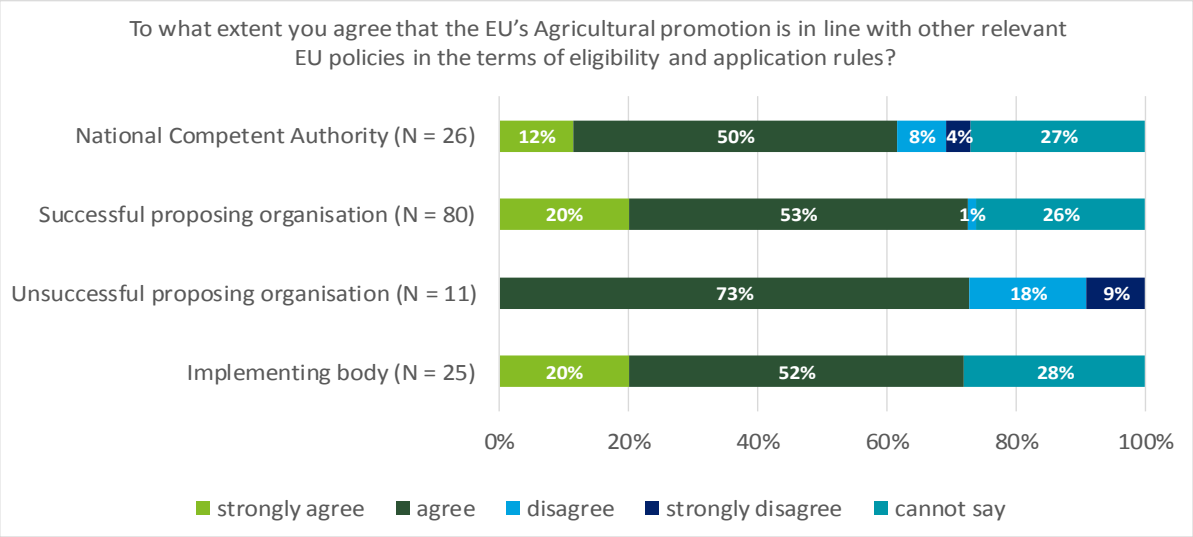
In relation to food safety, DG SANTE's programme of relevance for this analysis is the Better Training for Safer Food (BTSF). The goal of the programme is the training of safe food practices, animal welfare and consumer health to competent authority staff inside and outside the European Union. A specific objective of training activities in third countries is also to increase the awareness of the high regulatory standards applied within the Union and as a consequence, to increase the competitiveness of EU products, which is consistent with the objectives of the EU agricultural promotion policy.

In terms of implementation, the organisation of Sanitary and Phytosanitary Standard Seminars as part of the Commission's own initiatives does not overlap with training activities organised under the BTFS because they target different audiences - BTFS focuses on national authorities whilst the Sanitary and Phytosanitary Standard Seminars are also open to importers, journalists, researchers, etc. and are explicitly oriented on promoting EU exports.

The representatives from DG SANTE consulted via the in-depth interviews indicated that the objectives of these initiatives are complementary. In relation to the implementation, they highlighted that there are potential synergies in optimising the use of resources and participating in each other's events in third countries. However, such an action would require more flexibility in the programme of the seminars and events.

The analysis of the objectives and procedural rules of the relevant programmes based on the desk research suggests that there is a high-level of coherence with the EU promotion policy as no contradiction could be identified. This is further confirmed by the results from the online survey presented in Figure 50 below. The majority of survey participants agree that the eligibility and application rules of the EU's agricultural promotion policy are in line with other rules applied by other relevant EU policies. The trend amongst the respondents who can provide an answer is positive across all respondent groups and varies between 62% (NCA) and 83% (successful proposing organisations) of the respondents who strongly agree or agree.

Figure 50: Assessment of the coherence of EU's Agricultural promotion policy in terms of eligibility and application rules



Source: Online survey of proposing organisations and IB, Online survey of NCAs

SUMMARY

Overall, the EU agricultural promotion policy is coherent to a large extent with EU health policies as there are no inconsistencies in its objectives and implementation. However, the extent of coherence differs across the type of measure (promotion programmes and Commission own initiatives) and also depends on the product promoted.

The EU agricultural promotion policy appears to have high level of coherence with EU health policies when looking into its link to increasing food safety and promoting balanced nutrition. The analysis shows that the Commission's own initiatives are complementary with activities under the Better Training for Safer Food programme and programmes focusing on fruit and vegetables are in line with the objective to increase their consumption.

However, the desk research of the broader policy framework and the in-depth interviews at EU level highlight two areas of particular importance when discussing the promotion of agricultural products, namely alcohol consumption and balanced nutrition, which relates to a small share of the promotion programmes focusing on related products. The scientific evidence regarding the classification of these products is constantly developing. Despite recent debates on the coherence of the promotion of eligible alcoholic beverages and meat products, no inconsistencies based on scientific evidence were found in the reference period of the evaluation. There is no major inconsistency with promotion activities of alcohol targeting external markets as they respect local laws and policies. However, this raises questions regarding the EU's role as promoting healthy lifestyle.

Coherence with EU environment and climate change policies

This section assesses the coherence of the EU Agricultural Promotion Policy with the current EU environmental and climate action policies. The agricultural sector is often discussed in connection with its impact on the environment and climate change. The Europe 2020 Strategy for smart, sustainable and inclusive growth sets a target of

reducing Greenhouse gas emissions (GHG) with 20% compared to 1990, the Europe 2030 Strategy foresees a GHG reduction of 40% by 2030.[352]

At the same time, the 'Clean planet for all' Communication recognises that the agricultural sector is one of the most challenging sectors for decarbonisation. EU agriculture, including land use and land use change of grassland and cropland, represented 12% of all EU GHG emissions in 2016.[353]

Animal production in the agri-food sector has a high ecological footprint in terms of GHG emissions.[354] Reducing the production and consumption of meat and dairy products can therefore help reducing GHG emissions and have a positive impact on health and environment. The Commission stated that 'moderate changes in food consumption patterns' towards less meat among Europeans 'could reduce significantly emissions from agriculture production'.[355]

Three of the four Annual Work Programmes of the EU agricultural promotion policy in the evaluation period specifically mentioned the topic of sustainability:

- The Annual Work Programme 2017 included a non-sector specific topic for the internal market focusing on 'increasing the awareness of Union sustainable agriculture and the role of the agri-food sector for climate action and the environment'[356] with an indicative budget of €15.05 million and resulted in the implementation of three programmes.[357]
- The Annual Work Programme 2018 sets as one of the topics for the internal market the 'Information provision and promotion programmes aiming at highlighting the sustainable aspect of the sheep/goat meat production' with an indicative budget of €6 Million and resulted in the implementation of one programme[358]
- The Annual Work Programme 2019 identified 'information provision and promotion programmes aiming at highlighting the sustainable aspect of the rice production'[359] as a priority for the internal market with an indicative budget of €2.5 million and resulted in the implementation of two programmes.[360]

The share of the earmarked budget under the theme of sustainability for these three years is illustrated below. However, the budget available for the promotion of sustainability and environmental aspects is higher since proposing organisations can also apply under the topic: Information provision and promotion programmes aiming at highlighting the specific features of agricultural methods in the Union and the characteristics of European agricultural and food products, and quality schemes defined in Article 5(4)(d) of Regulation (EU) No 1144/2014.

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[352] In addition, The Communications 'Clean planet for all' and 'The European Green Deal' go a step further by setting an aim of achieving net-zero GHG in the EU by 2050. See COM/2018/773 final, Clean Planet for all A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy.

[353] European Commission, Agriculture and climate mitigation, Available here. See also Alliance Environmental, Evaluation study of the impact of the CAP on climate change and greenhouse gas emissions, Luxembourg, 2019. Available here.

[354] Most emissions of non-CO^2 greenhouse gases (i.e. methane and nitrous oxide) in agriculture originate directly or indirectly from animal production – this sector will be directly responsible for 72% of those emissions in 2030, assuming emissions from manure on the field are allocated to the livestock sector. EU agricultural outlook: European emissions linked to agriculture set to decrease by 2030.

[355] European Commission, In-depth analysis in support of the Commission Communication COM/2018/773. November 2018. Available here.

[356] AWP 2017.

[357] For information on the selected programmes, consult the CHAFEA's portal: The three specific programmes are EMF Climate: Environmental sustainability of the European dairy sector, Interovic: Sustainability of sheep and goat farming and Green cities: the positive effects of European green cities.

[358] AWP 2018. Programme implemented: Signed by nature.

[359] AWP 2019.

[360] Programmes implemented: EURICE, Sustainable EU rice.

Table 31: Share of budget earmarked for sustainability topics

Year	Theme	€	Share of budget (%)
2016	-	0	0
2017	Topic A- Programmes increasing the awareness of Union sustainable agriculture and the role of the agri-food sector for climate action and the environment4	15 050 000	11.3%
2018	Topic 3- Information provision and promotion programmes aiming at highlighting the sustainable aspect of the sheep/goat meat production Topic A- Information provision and promotion programmes aiming at highlighting the sustainable aspect of the sheep/goat meat production*	6 000 000	3.3%
2019	Topic C- Information provision and promotion programmes aiming at highlighting the sustainable aspect of the rice production	2 500 000	1.3%

Source: Own calculation based on AWP 2016 - 2019

At the same time, the share of the budget allocated to the promotion of meat and dairy products from the total indicated budget was substantially higher in 2016, but decreased each year:

Table 32: Share of budget earmarked for meat and dairy products (without budget earmarked for sustainable production of sheep/goat meat)

Year	Product	€(million)	Share of budget (%)
2016	milk/dairy, pig meat products or a combination of those two	30	26.9
2017	milk products, pig meat products or a combination of those two, beef products	16.6	11.6
2018	meat and dairy products	0	0
2019	beef and/or veal	5	2.4

Source: Own calculation based on AWP 2016 – 2019

The analysis of the Annual Work Programmes shows that the EU agricultural promotion policy integrated the aspect of sustainability in its planning, but at the same time also dedicated specific attention to sectors, deemed accountable for a large share of the CO_2 emissions in agriculture. This limits the coherence with the EU commitment to reducing GHG emissions and broader environmental goals. Stakeholders from DG ENV[361] and

[361] Based on analysis of written comments provided on the AWP.

CLIMA highlighted this issue, which was also mentioned by one representative of an EU-wide agricultural producer organisation, one participant in the online survey and one case study.

However, it should be considered that GHG emissions and the broader environmental impact of agriculture depend on multiple factors such as type of product within the sector, method and production basins used. As a result, the assessment of the environmental and climate impact of promoting activities requires a case-by-case analysis of a number of elements, some of them being product, method of production, target market or transport method.

For example, whilst recognising the overall high impact of meat and dairy production on the climate and environment, a representative from an NGO highlighted in an in-depth interview that it is important to disaggregate the discussion at the level of the type of meat produced, as environmental and climate impacts are different across sectors. The environmental impact is not limited to the CO_2 impact of the product, but includes all elements linked to its production such as impact on land (e.g. deforestation, soil quality, biodiversity), fodder used and others, which can differ across product type within one sector.

Since the broader objective of EU climate change and environment policy is to reduce the negative environmental impact of animal livestock connected to meat and dairy products and to promote sustainable methods of agricultural production, the thematic priorities of the EU agricultural promotion policy appear to be coherent within the broader policy context as long as they focus on sectors with positive environmental impact in terms of biodiversity, preserving of grasslands and reducing GHG emissions, which was partially the case in the period 2016 to 2019.

Another source of GHG emissions in the agricultural sector stems from the transport of agri-food products. One view in this regard is that supporting short market circuits could contribute to climate change mitigation by reducing CO_2 emissions, by using less packaging and reducing food waste in general. Across 2016 – 2018, 55% of the budget for promotion programmes was allocated to third country markets. As pointed out by DG ENV[362] and DG CLIMA this is linked to higher GHG emissions since the transportation distance is larger. This was also raised as a point in the in-depth interview with representative from DG CLIMA.

However, studies[363] also find that most emissions are associated with the production of agri-food products and not their transportation nor their promotion, which means that the actual CO_2 impact of exports to third country markets would depend on differences in the efficiency of production between the exporting and importing country. If the production methods in the target country are not as environmentally efficient as the methods in the EU, the total environmental impact of consuming an EU product might even be less.[364] Furthermore, distance is not the only factor influencing the CO_2 impact of transportation of agri-food products. For example, the mode of transportation (e.g. type of vehicles, vehicles' load factor) also plays a crucial role. This means that promotion activities in third country markets, leading to more exports, cannot be automatically

[362] Based on analysis of written comments by DG ENV provided on the AWP.

[363] For example, Sandström analyses how trade and countries of origin impact GHG footprint calculation for EU food consumption. One of the findings is that international transportation emissions account only for approximately 6% of production- and trade-related dietary emissions from food supply. See: Sandström t, V., Valin, H., Krisztin, T., Havlík, P., Herrero, M., & Kastner, T. (2018). The role of trade in the greenhouse gas footprints of EU diets. Global Food Security, 19, 48-55. Also, in C.L. Weber, H.S. Matthews, Food-miles and the relative climate impacts of food choices in the United States, Environ. Sci. Technol., 42 (10) (2008), pp. 3508-3513.

[364] The balance will depend on the production and the method. This complexity can be illustrated with the following database, providing an overview of the carbon emission of main production: Differences in production mode are caused by production methods: extensive production causes less emission by hectare but may cause more emission by ton due to a lower yield.

linked to a bigger negative impact on climate and environment in comparison to promotion activities focusing on short market circuits.

When analysing the argument that the EU promotion policy has to focus more on the internal market and short transportation distances in order to be more coherent with EU climate change policies, one should also take into consideration the following aspects:

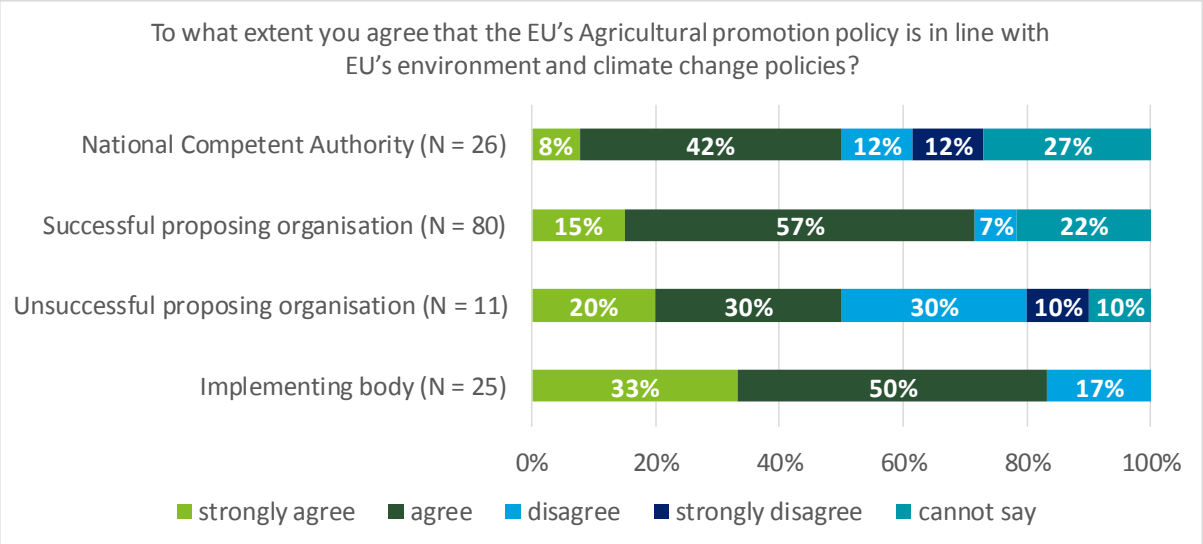
- The main objective of the EU agricultural promotion policy for the period 2016 – 2019 was to open new markets and gain market share. In order to achieve this objective, the policy has to also focus on third country markets. As there is certain tension with the question of CO_2 footprint of exports, this specific issue cannot be addressed in a different way without compromising the objective of promotion policy.
- The opening up of new markets is coherent with EU trade policies. Focusing exclusively on short supply chains would require an EU definition of such chains and might create tension both with the functioning of the internal market and with policies focusing on the growth of the EU market.
- There is a number of possibilities to financially support short supply chains under the RDP of the CAP.[365] As discussed in the previous section, private and national initiatives also have a stronger focus on the local production. As such, there might be a risk of overlap if EU promotion policy focuses too strongly on the EU internal market.

The majority of respondents to the online survey who could provide an answer strongly agreed or agreed that the EU's agricultural promotion policy is in line with EU's environmental and climate change policies. It is worth noting that the level of disagreement differs across the respondent groups. Whilst 40% of the unsuccessful proposing organisations strongly disagree or disagree, the share of these responses is 17% for IBs, 22% for NCAs and 7% for successful proposing organisations (see Figure 51). NCA also tend to strongly agree to a lesser extent compared to the other respondent groups. This overall lower score might be linked to a higher level of awareness amongst governmental officials of a general shift towards more sustainable agricultural policies. However, the participants did not provide concrete justification for their assessment, when given the opportunity to do so with a comment.

As for the product sector, it appears that successful proposing organisations from the meat sector tend to disagree less (11%) compared to the average for representatives from all other sectors (22%).

[365] Better integrating primary producers into the food chain through quality schemes, promotion in local markets and short supply circuits.

Figure 51: Assessment of the coherence of the EU's Agricultural promotion policy with EU's environment and climate change policies



Source: Online survey of proposing organisations and IB, Online survey of NCAs

SUMMARY

The EU agricultural promotion policy recognises in its design the priorities of EU policies on climate change and environment, especially by highlighting the importance of sustainable production methods, which have been identified as specific topics in the AWPs. At the same time, it also covers sectors, broadly considered as responsible for a large share of GHG emissions (meat and dairy), and on external markets that require longer transportation and thus, might be more CO2 intensive. However, the environmental and climate impact of the promotion programmes in these cases depends on a range of factors such as product type, production methods and transport mode. Therefore, it cannot be concluded that these measures have a negative or positive effect on the climate and environment without a case by case analysis. This leads us to the conclusion that the level of coherence between the EU agricultural promotion policy and EU climate and environmental policies differs across product types, production methods and markets.

Coherence with EU development policies

With regards to world development policies, the European Union follows the objective to foster sustainable development in developing countries, with the ultimate goal of reducing, and in the long term, eradicating extreme poverty.[366] Since 2017, this happens within the framework of the European Consensus on Development[367] that was adopted as a response to the United Nation's 2030 Agenda for Sustainable Development, announcing the 17 Sustainable Development Goals (SDGs). The Consensus highlights the commitment of the EU and the Member States to apply a comprehensive and strategic approach to the implementation of their international development policies. A central element to achieve this is their Commitment to Policy Coherence for Development (PCD).

The PCD requires from the EU and the Member States to take 'into account the objectives of development cooperation in policies which are likely to affect developing countries'.[368] As one of the biggest world agri-food importers and exporters, the EU agricultural policy

[366] Further information on the European Development Policy, see DG DEVCO, 'European Development Policy'. Available here.
[367] 'The new European Consensus on Development 'Our world, our dignity, our future', Joint statement by the Council and the representatives of the governments of the Member States meeting within the Council, the European Parliament and the European Commission, 2017. Available here.
[368] Ibid, p. 52.

can influence food systems globally, including in developing countries. Thus, the Common Agricultural Policy (CAP) is often analysed in relation to its coherence with the EU development policies,[369] with the observation that its shift towards more market orientated approach minimises potential distortions in global agricultural markets. The measures of the EU agricultural promotion policy are not based on direct price or market support measures (e.g. subsidies, market restrictions, etc) that are perceived as having trade- and market-distorting effects. In addition, they[370] classify in the 'green box' (permitted) of the World Trade Organization's categorisation of domestic support in agriculture.

However, stakeholders consulted in in-depth interviews who represent the European Commission highlighted that promotion programmes can have negative impact on developing countries, with the main negative influences elaborated in the next paragraph. The European NGO confederation for relief and development (CONCORD) highlights in a note from 2018 the conflict between EU 'support of an export-oriented model of production and local markets in developing countries which have the potential to increase production in response to domestic food needs.'[371] However, the impact of the EU agricultural promotion programmes on developing countries is likely to differ, depending on factors such as market segments, level of development of the target country, local production conditions and prices.

In particular, stakeholders highlighted that increasing the market share of specific sensitive products (e.g. milk powder, chicken parts and tomato paste) can have distorting effects on countries in developing regions (e.g. Sub-Saharan Africa). Examples of distorting effects include unfair competition driving small-scale local food producers out of business or reducing their profit margins, negatively affecting local livelihoods and hindering processes of women empowerment. For example, the Oxfam Case Study on dairy sector in West Africa mentions that local producers struggle to gain access to the more formalized market and develop the local dairy sector due to 'inequalities and lack of investment, infrastructure and interest from businesses' and cheap import of milk powder from Europe.[372]

The evidence presented in Chapter 4.2.5 (analysis of specific objective 4) concludes that promotion programmes implemented under the EU agricultural promotion policy make a positive contribution to increasing exports or sales in target markets. At the same time, the Annual Work Programmes for 2016[373] and 2017[374] identify African countries as countries with high-growth potential to be targeted by promotion programmes. However, the majority of programmes implemented in the evaluation period focused on developed third country markets. For example, the largest share of promotion programmes were implemented in markets in North America and Mexico and the largest share of the budget was earmarked for North America, China and Japan (see Table 16). Representatives from DG DEVCO consulted in in-depth interviews highlighted no tensions between the EU agricultural promotion policy and EU world development policies when discussing promotion measures targeting these more refined markets. The analysis of the targeted markets and the evidence from the in-depth interviews shows that there is no potential for tension for the vast majority of promotion programmes implemented.

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[369] Recent reports include European Parliament. DG for External Policies, 'The Impact of the Common Agricultural Policy on Developing Countries', 2018 or European Commission, SWD (2019) 20 final, '2019 EU report on Policy Coherence for Development'.

[370] See Annex 2 of the Agreement on Agriculture, more specifically 'marketing and promotion services, including market information, advice and promotion relating to particular products but excluding expenditure for unspecified purposes that could be used by sellers to reduce their selling price or confer a direct economic benefit to purchasers'.

[371] CONCORD recommendations on CAP and PCD, 2018. Available here.

[372] Oxfam, 'Taking a fresh approach: enabling local producers to meet rising demand in West Africa's dairy sector', June 2018. Available here.

[373] See Annual Work Programme 2016, Topic 8 - Information and promotion programmes targeting one or more countries of Africa or Middle East with a budget of €4 690 000.

[374] See Annual Work Programme 2017, Topic 5 - Information provision and promotion programmes targeting one or more countries of Africa, Middle East, Iran or Turkey with a budget of €8 450 000.

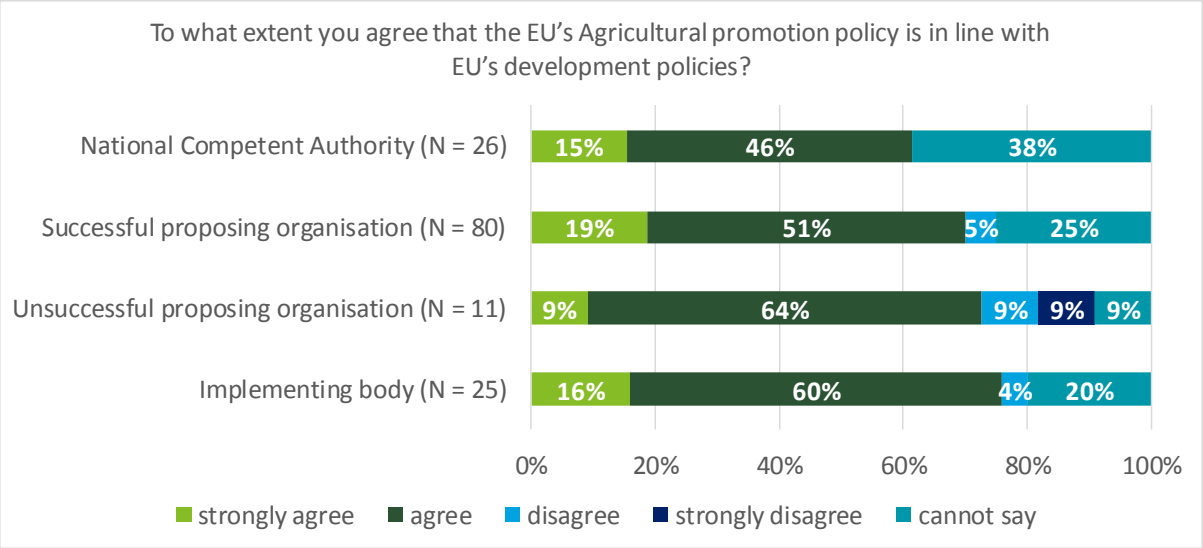
The share of promotion programmes targeting Africa as a geographical area in the period 2001 to 2019 is only 3%. Four single promotion programmes targeted developing countries in Africa (Cameroon, Ghana, Kenya and Tanzania) in the reference period for this evaluation. In this very specific case of four promotion programmes, the coherence between the objective of the EU agricultural promotion policy to increase market share and EU world development policies is questionable. However, the exact impact of the EU agricultural promotion activities targeting the four developing markets, and therefore the judgment on their coherence with EU world development policies, depends on the product promoted and specific situation in the target market. Targeting markets of developing countries without an analysis of the potential effects on their development suggests that objectives of development cooperation have not been taken fully into consideration, but do not provide evidence to conclude that the promotion programmes had a negative impact on the SDG objective to eradicate poverty in the four countries since such a conclusion cannot be reached on the bases of the geographical market alone. Their actual impact on the local market cannot be assessed.

For example, it is possible that increased market share of EU products does not affect developing countries negatively because it decreases the market shares of other major exporters rather than of local producers. Another alternative is that increased exports as a result of promotion of quality products in developing countries are not distorting local production since the products are different in characteristics and therefore, not direct substitutes. However, identifying the exact impacts and causality requires a case by case analysis and empirical evidence of the local context in the market country over a longer period of time, which is not available. A recent study of the Directorate-General for External Policies lists some of the challenges of analysing the impact of CAP instrument measures on developing countries: difficulty to isolate other effects, few studies available, need to rely on assumption, need for a case by case analysis.[375]

It is interesting to observe that in comparison to the stakeholders consulted in in-depth interviews, the majority of respondents to the online survey perceive EU agricultural promotion and development policies as coherent, even though a relatively large share of respondents also 'cannot answer' this question (e.g. 38% of NCAs). This might be linked to the fact that only a very small share of the programmes targeted developing countries, which is why survey participants might not have been aware of potential impacts.

[375] European Parliament. DG for External Policies, 'The Impact of the Common Agricultural Policy on Developing Countries', 2018.

Figure 52: Assessment of the coherence of the EU's Agricultural promotion policy with EU's development policies



Source: Online survey of proposing organisations and IB, Online survey of NCAs

SUMMARY

Overall, there is no evidence suggesting tension between the EU world development policy and EU agricultural promotion policy targeting developed third country markets, which represents the vast majority of all cases. The coherence between the two policy areas might be very limited for a very small share of the promotion programmes (3% of the promotion programmes target Africa, corresponding to four promotion programmes), which target developing markets. However, it cannot be concluded that these four promotion programmes contradict the SDG to eradicate poverty and have negative impact on the development of the local markets by driving local producers out of business and impacting prices. The lack of empirical evidence and the need for a case-by-case simulation of each intervention makes it impossible to identify exact impacts and causalities, which also depend on the product type and national context.

8. ASSESSMENT OF EU ADDED VALUE

This section presents the assessment of EU added value.

Evaluation Question 6: To what extent has the promotion policy, both promotion programmes and Commission own initiatives, produced EU added value on the internal market and in third countries?

COVERAGE OF QUESTION

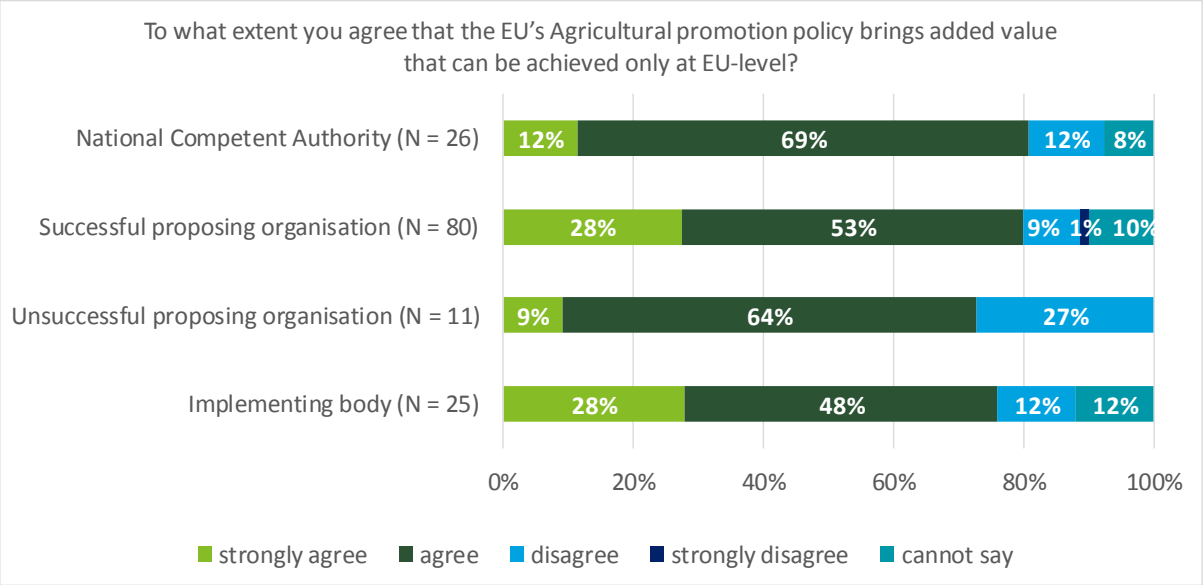
To answer this evaluation question, the following judgement criteria are used:

- Extent to which stakeholders perceive EU added value from the promotion policy (in the internal market / in third countries).
- Extent to which EU promotion policy is still justified, based on analysis of effectiveness, efficiency, relevance and coherence and the principle of subsidiarity and proportionality.

PRESENTATION AND ANALYSIS OF EVIDENCE

Based on the results of the different data collection methods and analysis of the other evaluation criteria, it appears that there is high level of agreement that the EU promotion policy has added value that can be achieved only at EU level. This was highlighted by almost all participants of the in-depth interviews with representatives from seven DGs[376] and confirmed by the results of the online survey that captured the opinion of a broader set stakeholders. As shown in Figure 53, a total of 81% of all NCAs and successful proposing organisations strongly agree or agree with this statement.

Figure 53: Assessment of the added value of the EU's Agricultural promotion policy



Source: Online survey of proposing organisations and IB, Online survey of NCAs

Nevertheless, the nature of EU added value of the promotion policy perceived by stakeholders differ, especially in relation to the internal and third country markets. Below the EU added value in relation to the promotion programmes is explored, followed by an analysis focusing on the EU added value of the Commission own initiatives.

[376] The policy areas covered include agriculture, maritime and fishery policies, internal market and trade policies, communication, health and food safety, climate action.

Promotion programmes

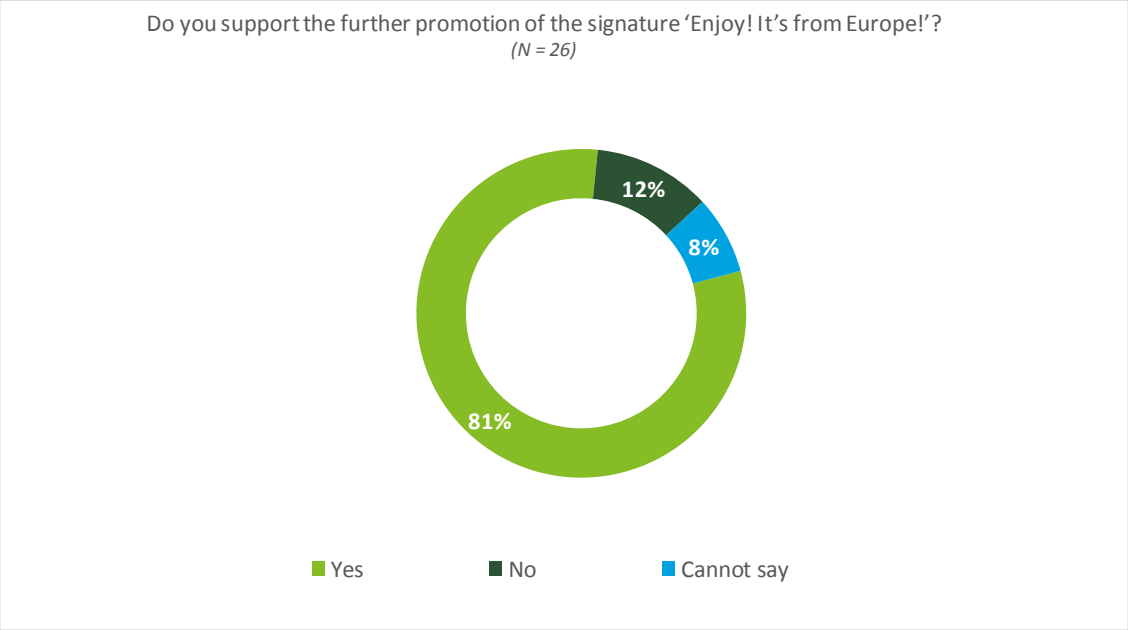
When discussing the added value of EU promotion programmes on the external market, stakeholders consulted believe that EU promotion programmes are better able to enhance the position of EU products in third country markets. This is because the promotion activities achieve higher visibility due to cooperation of multiple stakeholders and therefore, the possibility to implement larger scale programmes. This should be particularly the case for multi programmes, which have a higher budget and are implemented by multiple organisations from across the EU. The conclusion of the effectiveness analysis that the EU agricultural promotion policy contributes to increased awareness further supports this argument (see Section 3.2.2).

Programmes are also expected to benefit from increased visibility due to the use of a unified Union message and branding (i.e. use of the signature 'Enjoy! It's from Europe'). As mentioned by one proposing organisation, the successful implementation of other EU promotion programmes in the target market is a factor enhancing the outreach to target audiences of the promotion programmes. Using one common message to communicate with target audiences is likely to have positive spill-over effects across product types within the same market, making it likely that promotion programmes benefit from each other's activities across years and sectors in terms of increased sales.

To further support this line of argument, it was mentioned in two case studies with a focus on third country markets[377] that consumers usually connect EU products with high standards of production and quality. The specific EU country of origin is perceived as being of secondary importance for some products when targeting third country audiences which is why it is expected that promotion programmes with union dimension resonate well with consumers in third country markets. Indeed, the signature 'Enjoy! It's from Europe' is perceived as especially relevant when targeting third country markets (see also Chapter on Relevance). This is also the case from the perspective of NCA - a large majority of NCAs participating in the online survey (81%) support the further promotion of the signature 'Enjoy! It's from Europe':

[377] Case study on dairy products in China; Case study on beer, wine, spirits and vinegar in USA.

Figure 54: Promotion 'Enjoy! It's from Europe!' signature



Source: Online survey of NCAs

The EU promotion programmes are perceived as having an added value also because they are the only opportunity for some organisations to engage in promotion activities (e.g. promotion of fruits and vegetables in UAE by Greek proposing organisations). The cause for this could either be the lack of other funding sources at all or the lack of funding sources with co-financing rates viable for organisations with limited resources. In this case the promotion of certain agri-food products would not be possible without EU intervention. This was mentioned especially in connection with proposing organisations from Member States that have no public funding streams at national level such as Greece and Latvia. In the same vein, evidence from the case studies suggests that smaller proposing organisations would not have been able to enter third country markets without the EU support. In addition to the EU funding, they could benefit from a stronger starting position of their products on the new market due to some pre-existing awareness of the quality of EU products amongst consumers. In general, enhancing the awareness of the quality of EU products and the high standards of production methods in the EU amongst third country audiences is perceived as opening doors to all EU producers to enter this market. This is because the EU promotion activities focus on categories of products rather than brands. This effect of indirectly benefiting a larger number of exporting organisations would probably not be possible if the promotion measures were only public and private activities from the Member States since these tend to focus on brands and local origins as discussed in the chapter on Coherence.

When discussing the added value of EU promotion programmes on the internal market, stakeholders' opinions appear to be aligned on the EU added value mentioned in the proposal for the Regulation 1144/2014: 'Cooperation between economic operators in different Member States contributes greatly to increasing the Union added value and to highlighting the diversity of Union agricultural products.'[378] Enhanced cooperation is perceived as the strongest EU added value by interview partners at EU level, but also by some of the proposing organisations that participated in the case studies. Stakeholders highlighted that the promotion programmes at EU level allow (otherwise) competing organisations to collaborate with each other. For example, the case study on the promotion of fruits and vegetables within the EU concluded that the promotion activities

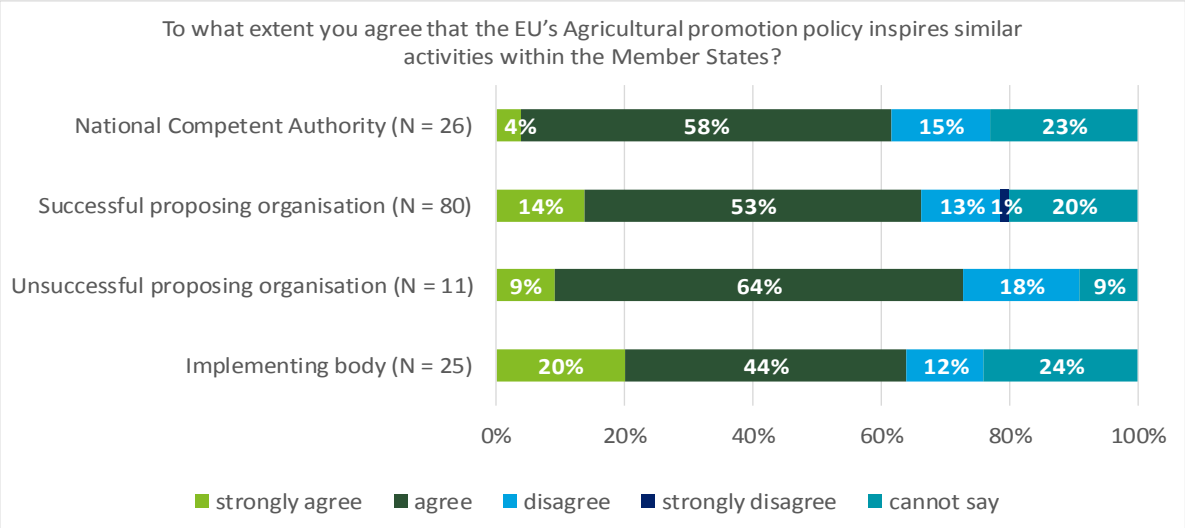
[378] COM/2013/0812 final - 2013/0398 (COD), Proposal for a Regulation of the European Parliament and of the Council on information provision and promotion measures for agricultural products on the internal market and in third countries. (15).

build capacity among organisations from the sector on how to cooperate with each other and how to find partners.

Another effect of this enhanced cross-border cooperation is the mutual learning amongst proposing organisations. A specific example mentioned in the online survey was that a proposing organisation from one Member State was able to participate in the promotion programme only because of starting a cooperation with more experienced organisation from another Member State. Collaborations of organisations with different levels of experience is likely to spark learning effects that would otherwise not be possible. This could be expected especially for multi programmes, but contacts and coordination of activities amongst simple programmes targeting the same products or markets could also have similar results.

As mentioned before, the EU promotion programmes seem to have been the only option for some proposing organisations to promote their products, which brings clear EU added value. Furthermore, the majority of survey participants across all respondent groups (65% on average) strongly agree or agree that the EU's agricultural promotion policy inspires similar activities in their Member States, thus giving rise to activities on the internal market that would not have taken place otherwise.

Figure 55: Extent to which the EU's Agricultural promotion policy inspires similar activities within Member States



Source: Online survey of proposing organisations and IB, Online survey of NCAs

Another added value of the promotion programmes mentioned by participants in the case studies is the promotion of cooperation at EU level, linked to the strong Union dimension of the promotion programmes. Using an EU brand is perceived as having the potential to strengthen the EU identity amongst importers, retailers and consumers, and producers.

In this regard, it was mentioned in one of the in-depth interviews with DG representatives that the communication activities of the promotion programmes are not linked strongly enough to other EU policies, which might create an unbalanced view of EU policies and priorities amongst the EU audience. A specific example used in the interview was that it might appear as a contradiction to EU citizens in the Netherlands that EU funding is used for the promotion of bread products in a country that consumes a substantial amount of bread.[379]

[379] 'Bread from Europe' is a multi-programme targeting Belgium and the Netherlands with a budget of EUR 6.75 million for 3 years. The main objective of the campaign is to counter the negative trend in bread. Further details available here.

However, measures implemented under the EU agricultural promotion policy can be linked to other EU policies such as the Environment, Quality and health safety, Health, Tradition and Diversity of agricultural products. For example, they can use accompanying lines which refer to broader EU policies such as 'The European Union supports campaigns that promote respect for the environment' or 'The European Union supports campaigns that promote a healthy lifestyle' as specified in the instructions on the use of the signature 'Enjoy! it's from Europe'.[380] The rationale being that the cross-referencing of EU specific campaigns / messaging reinforces EU added value as compared to generic, non-EU specific messaging. There is no evidence to support the view that the promotion of a specific EU policy undermines the awareness of EU citizens of other EU measures.

With regards to the effects on EU citizens, proposing organisations from the case studies focusing on the internal market also highlighted that the EU agricultural promotion policy has an added value in educating EU consumers. Specific examples include educating consumers on the strict EU standards on meat production, so they understand the price they are paying for their meat products or promotion of healthy eating habits among consumers and educating the youth, which has health benefits for the population.

Commission's own initiatives

The Commission's own initiatives are also perceived as bringing EU added value by interviewees at EU level and by those consulted as part of the case study research. In relation to business delegations and SPS seminars in third countries, there appears to be high level of agreement that the Member States would not be in a position to mobilise the resources needed to implement such events by themselves.

As mentioned in previous chapters, business delegations have a strategic nature and aim at enhancing the position of EU products on third markets. They provide a platform for different stakeholders across Member States to come together and promote the interests of the EU as a whole. Collaboration at this level would not be possible without the EU promotion policy, thus resulting in a clear EU added value.

The Commission's own initiatives have a substantial EU added value because they benefit organisations from all Member States and across all product sectors by representing the EU as a whole. the analysis of the country of origin of the organisations participating in business delegations shows that they include a number of organisations from countries which tend to have a lower number of promotion programmes implemented, for example Finland.[381] This reinforces the conclusion that the Commission's own initiatives are able to benefit all Member States, thus having a clear EU added value.

SUMMARY

Based on the review of evidence, it is determined that promotion programmes on the external markets bring EU added value because they perform better than promotion measures without an EU focus. They have higher visibility, resonate better with third country target audiences and benefit a larger stakeholder group because of their focus on categories of products and not brands. The EU added value is further confirmed by the fact that the EU promotion policy enables activities that would otherwise not be possible, especially for small proposing organisations.

Looking into the effects of the EU promotion programmes on the internal market, the biggest added value perceived by stakeholders at EU and at national level is the enhanced cooperation amongst trade operators and the possibility for them to learn from each other. In addition, the Union dimension of the programmes is likely to strengthen

[380] DG AGRI, Instructions on the use of the signature 'Enjoy! it's from Europe'. Available here.
[381] According to the results of the online survey, only one programme is currently being implemented by a Finish proposing organisation.

the EU identity of agri-food producers and EU citizens, especially if the messages have a European dimension and are linked to EU policy areas.

The Commission's own initiatives are also perceived as having substantial EU added value since strategic events benefiting organisations from all Member States and across product sectors would not be possible without EU intervention, according to the stakeholders consulted.

9. KEY FINDINGS

This section presents a summary of the key findings based on the assessment of the EU agricultural promotion policy in relation to the five evaluation criteria in the preceding chapters. For each criterion a summary is presented to answer to the overarching question, followed by specific answers to the sub questions answered.

Effectiveness

EQ1: To what extent were the programmes of the promotion policy effective in enhancing the competitiveness of the Union agricultural sector and in achieving the specific objectives of the policy as laid down in article 2 of Regulation 1144/2014?

The EU promotion policy and programmes contribute to increasing the awareness of the merits of EU agricultural products and the high standards applicable to EU production methods (specific objective 1), as well as recognition of quality schemes (specific objective 3). The contribution to the other two specific objectives – enhancing competitiveness and consumption (specific objective 2) and increasing market share (specific objective 4) is less clear. It is more difficult to establish whether raised awareness and recognition of EU products was effective at generating these types of impacts, which are influenced by a large number of other external market and societal factors.

It was easier to reach target audiences in the internal market than in third country markets. The European audience was, however, less responsive to messages specifically highlighting the high quality of EU products, and only a minority was aware of the EU quality labels – even if quality was an important factor affecting purchase decisions. Overall, promotion activities including direct contact with consumers, networking activities at trade fairs and events and, product promotion by social media influencers, proved to be the most effective. Programmes targeting third country markets had a higher potential to increase consumption and sales, compared to programmes targeting the EU internal market. There may also be greater potential to increase market share in third countries, which are chosen because they offer high growth potential.

Sub-question 1.1: To what extent were the measures of the promotion policy effective in increasing the awareness of the merits of EU agricultural products and the high standards applicable to the production methods in the EU? (specific objective 1-Art. 2.2.a of Regulation 1144/2014)

EU policy and programmes contributed to increasing the awareness of the merits of EU agricultural products and the high standards applicable to EU production methods, even if it is not possible, due to the limited data available at this point in the policy's implementation, to confirm the exact extent of this increased awareness, or the size and profile of the target groups reached.

However, target audiences in internal market and third countries had different levels of appreciation of these merits and high standards. Whilst the slogan 'Enjoy! It's from Europe!' was generally very well accepted, accompanying messages stressing quality standards of products were more relevant in third countries, because they were associated with other values such as safety and tradition. It was easier to reach target audiences in the EU, but in general these audiences place more value on regional and national branding.

Sub-question 1.2 To what extent were the measures of the promotion policy effective in enhancing the competitiveness and consumption of EU agricultural products and certain food products, and to raise their profile both inside and outside the EU? (specific objective 2-Art 2.2.b)

The evidence was limited on the exact contribution of the promotion policy to levels of consumption and the competitiveness of EU agricultural products as promotion programmes funded in the years 2016 and 2017 are ongoing, and with most at an early stage, there were no final reports yet. But consulted stakeholders consider that the policy has the potential to increase consumption and competitiveness, and there is evidence from the case studies that the selected programmes are contributing to increased sales and consumption of the EU products promoted in the target markets. However, at present, it is not possible to identify the most and least effective products or types of activities. Case study evidence suggests that certain specific activities supported increased consumption in particular markets, for example those that focus on direct contact with consumers, networking activities at trade fairs and events, product promotion by influencers and using social media.

Sub-question 1.3 To what extent were the measures of the promotion policy effective in influencing the awareness and recognition of Union quality schemes? (specific objective 3-Art. 2.2.c)

It was difficult to assess the effects of promotion on consumer perceptions of Union quality schemes based on available data. However, the evidence, including interviews with stakeholders and case studies, suggests that promotion is contributing to achieving the intended effects. The Special Eurobarometer study of December 2017 highlights the relative importance of EU quality labels on purchase decisions, even if only a minority of EU consumers are aware of the schemes. The case studies suggest that PDO and PGI schemes were the most widely promoted and that target audiences' levels of baseline awareness are a key success factor, with low baseline awareness making it harder to achieve increased awareness. The promotion of quality labels achieved some traction in third country markets (particularly the US wines and spirits markets) but also showed challenges, such as perceived consumer indifference to the labels (in the UAE).

Sub-question 1.4 To what extent were the measures of the promotion policy effective in influencing the market share of EU agricultural products and certain food products, specifically focusing on those markets in third countries that have the highest growth potential? (specific objective 4-Art. 2.2.d)

Increasing market share was an important objective with circa half of programmes aiming to increase the market share of their promoted products in the target market. Stakeholders agreed that the promotion policy influenced the market share of the EU agricultural products by helping EU producers to enter new markets especially third country markets, which case studies confirmed were appropriately selected as those with high-growth potential. Notwithstanding the complexities around assessing something as dynamic as market share over time, there is limited available data to support these perceptions or to attribute changes in market share directly to EU promotion policy. But positive trends can be observed at programme level in terms of increased exports or sales in the target market.

Sub-question 1.5: To what extent were the measures of the promotion policy effective in enhancing the competitiveness of EU agricultural products (Art 2.1)?

Overall, the programmes funded were in line with the policy's objective to enhance the competitiveness of EU agricultural products and are making progress towards achieving the policy's specific objectives. However, a full assessment of the policy's effectiveness is premature at this stage in implementation and should be reviewed once the implementation period of the programmes has come to an end and the full effects can be observed.

EQ2: To what extent has the design of the promotion policy contributed to its effectiveness?

Adjustments to the design of the promotion policy over time, have had a positive effect on effectiveness. The current levels of budget and co-financing rates sustain adequate applicant interest, generate good quality proposals and eligibility criteria are generally deemed to be fair. Enlarging the scope of eligible proposing organisations and products also had positive effects. However, the current design might favour bigger and more experienced applicants, as they have greater capability to harness additional support and are more likely to have submitted previous applications, which both increase the likelihood of success.

The effectiveness of provisions on origin and brands was somewhat mixed: whilst measures supported the intended purpose of promoting Union production methods and the principle of non-discrimination, campaigns may have been limited by the restrictions relating to the use of origin and brands.

CHAFEA's management of multi programmes was more effective than the management of simple programmes by national authorities. This can be linked to CHAFEA's deeper understanding of the programmes and having the dedicated systems and experienced staff in place to support proposing organisations. As some national authorities still face issues related to managing resources, accessing information and having sufficient confidence in the implementation of the guidelines, there is space to further strengthen the support already provided to help them manage simple programmes.

The monitoring and evaluation system focused mainly on the measures' outputs and results. It is difficult to observe effects beyond that, as impact indicators are rather weakly causally linked to results. Also, it is potentially costly and complicated for proposing organisations to capture robust evidence at the impact level. There is scope to address these issues and improve monitoring by refining some indicators, for example by adding a fourth category of indicators (e.g. outcomes or short-term impacts) which provides the link between results and impacts, and adjusting their structure, possibly also by stressing qualitative elements of assessment.

Sub-question 2.1 To what extent have the budget, co-financing rates and eligibility criteria of the promotion policy contributed to its effectiveness?

The current levels of budget and co-financing are appropriate to sustain the interest of the applicants in the promotion policy and secure the effective implementation of measures. As stakeholders are satisfied both with overall budget and co-financing rates, there is considerable interest in implementing the programmes within the policy. This is illustrated by oversubscription in both simple and multi programmes, which was nevertheless brought to moderate levels in 2019. Overall, the number of ineligible proposals has been decreasing as applicants have improved their understanding of the requirements since the first call under the current policy was launched in 2016.

Sub-question 2.2 To what extent has the widened scope (i.e. the enlargement of the eligible proposing organisations and of the eligible products) contributed to the effectiveness of the promotion policy?

Enlarging the scope of eligible proposing organisations and products appears to have had a positive effect on reaching new organisations, covering new products and markets and meeting a latent demand that had not previously been addressed by simple or multi programmes. This has generally been delivered without generating misunderstandings on the eligibility rules.

Sub-question 2.3 To what extent has the coexistence of shared and direct management for promotion programmes contributed to the effectiveness of the promotion policy?

There is greater stakeholder satisfaction with management by CHAFEA than there is with management by national authorities. This can be linked to CHAFEA's deeper understanding of the programmes and having the dedicated systems and experienced staff in place.

For some competent national authorities, it might be challenging to have sufficient management resources, which is closely linked to their reported difficulties in accessing information, lack of confidence in the approval and implementation of adjustments to respond to changes in context, and proposing organisations perceiving that national authorities at times lack flexibility about budgetary/contractual changes in simple programmes. There has been also variability in interpretation of the guidelines and application of procedures among the Member States.

These issues persist despite CHAFEA's continuous guidance and DG AGRI's guidance to Member States made available through CIRCABC and Info Days in Brussels and in Member States. This reinforces the need to further strengthen communication between DG AGRI, national competent authorities and proposing organisations.

Sub-question 2.4 To what extent have the provisions concerning the origin and brands of the products contributed to the effectiveness of the promotion policy?

Ensuring that the Union message is the main message of the campaigns and restricting the provisions of origin and brands appear to support the intended purpose of Union production promotion and the principle of non-discrimination. It also safeguards related EU policies, such as the EU policy on quality logos. On the other hand, adequate consideration should be also given to stakeholders among market and industry professionals who considered this led to a reduced effectiveness of the campaigns. Establishing the specific results of the current provision on campaigns' effectiveness is not possible in the absence of a counter-factual scenario (i.e. a situation where the rules are different) for comparison.

Sub-question 2.5 To what extent is the monitoring and evaluation (M&E) system effective?

As no promotion programmes were completed and no final programme evaluations finalised, the evaluation focused on whether the design of the M&E's system was effective.

The main focus of monitoring and evaluation is on outputs and results, as impact indicators are rather weakly causally linked to results and it is difficult and costly to capture robust evidence on the impact level. A category of indicators representing 'outcomes' is missing to bridge the gap between results and impact. The allocation of indicators to the headings outputs, results and impacts could be improved to enhance their clarity and usability. Currently there is a focus on quantitative indicators that attempt to provide a straightforward numerical description of the issues/success of the

programmes and steer the policy response in a specific direction, the success or otherwise of which can be easily measured. This design, especially in relation to results and impact indicators fails to take into account the fact that the success of the promotion policy will continue to be subject to contextual and other limitations.

There appears to be greater satisfaction with the monitoring and evaluation system as rolled out for multi programmes than for simple programmes. Proposing organisations also reported difficulties in setting appropriate indicators to capture required data and some of them found reporting to be an excessive administrative burden, which could be linked to the need for more support or capacity building for national authorities so they can provide better guidance.

Sub-question 2.6 To what extent have the Commission's Own Initiatives contributed to the effectiveness of the promotion policy?

Commission own initiatives aimed to improve market access in high growth third country markets through a wide range of specific measures, including technical support, high-level missions, trade fairs, seminars and campaigns in a strategic way. All of the Commission own initiatives activities were very highly rated in satisfaction surveys of the participants in Commission own initiatives, government officials, business representatives from third countries and representatives from EU organisations, who all identified benefits of their involvement in Commission own initiatives activities. They all praised the technical support and information that was made available and/or distributed directly.

Commission own initiatives high-level missions, presence at trade fairs and campaigns mainly supported the objectives of increasing the awareness and recognition of the merits and high standards of production methods of EU products, as well as its quality labels (specific objective 1 and 3). Their contribution to increased consumption, competitiveness and market share (specific objective 2 and 4) is difficult to measure, but stakeholders consider that this is likely to improve / be more evident incrementally over the longer term. Despite this, there was some evidence of early tangible outcomes including extended networks, new contracts and increased sales in some markets.

Consultees stressed that repetition of Commission own initiatives measures is critical to reinforce the effectiveness of such initiatives, as highlighted by the approach taken since 2017, which allowed more targeting of certain countries, including China; beneficiaries highlight the need to keep strengthening this approach to ensure maximum effectiveness.

Sub-question 2.5 To what extent is the monitoring and evaluation system of Commission own initiatives effective?

Key findings on monitoring and evaluation of Commission own initiatives reflect the stage of completion of Commission own initiatives measures. There has been a tendency to focus on monitoring participant perceptions, levels of participation and reach, rather than other quantifiable outcomes such as sales or consumption, which reflects stakeholder feedback that these outcomes are more likely to be observable over the long term.

Nonetheless, several issues were identified with the approach to using indicators. A standard set of Key Performance Indicators to report on outputs, results and impacts has been in place since 2019. However, there is limited evidence in terms of quantifiable impact (e.g. number of contracts signed, number of contacts made, increase in sales) and some KPIs are only partially reported. Furthermore, contractors also use indicators that report on the quality of implementation that were not fully standardised at the EU level. Such indicators reported in the technical reports are limited, e.g. some indicators did not confirm the level of quality of implementation and some measures did not set metrics. It was observed that despite some indicators being reported as 'implemented', in practice the information was not detailed or precise enough to confirm the degree of

success or quality of the implementation. Additionally, for some indicators, it was reported that monitoring data on indicators were 'not measurable'. As a result, vague or absent metrics limits usefulness in assessing the quality of implementation because they are not formulated as specific targets/actions.

Efficiency

EQ3: To what extent has the promotion policy been efficient?

The promotion policy can be judged to have been implemented quite efficiently. In order to effectively assess the value for money of different activities, it would be useful to develop standardised approaches to measuring metrics such as participation and media value that could be compared between different types of activities. Some clear differences have emerged, however, between the management of simple and multi programmes. Centralisation of management procedures for the multi programmes, combined with greater clarity around the rules related to applications, grant management and reporting, as well as the more systematic use of online tools, generated efficiencies in the management of multi programmes that were not replicated by the simple programmes. CHAFEA was also generally able to provide more constructive support than national authorities in response to queries raised by proposing organisation coordinators with regard to project management, which led to longer term efficiency in the implementation of multi programmes compared to simple programmes, where there was less flexibility. Reported inefficiencies in programme management by National Competent Authorities related to a lack of clarity regarding the rules, leading to a tendency towards a more conservative application of the rules to ensure compliance (e.g. when Commission audits their programmes). This meant that, in some cases, it was not possible to make changes or introduce mitigation actions to address changes in the market, which led to inefficiencies in management and reporting.

Sub-question 3.1: To what extent was the direct management of multi programmes efficient (cp. Shared management of simple programmes)?

There is consistent feedback that the management of multi programmes was more efficient than that of simple programmes. Evidence from interviews, case studies and the stakeholder survey suggest three main factors, which contributed to a more simplified process and better overall management of the multi programmes: the predominant use of digital tools in the reporting phase of multi programmes compared to the simple programme, where reporting from proposing organisations to NCAs is still done on paper; a standard approach to the application of rules related to grant management and reporting by CHAFEA for the multi programmes; and the comprehensive information shared by CHAFEA with proposing organisation coordinators regarding project management. For both simple and multi programmes, the use of digital tools for the application and the reporting process (at least from NCAs to DG AGRI) is efficient. The management by CHAFEA of all applications – both for simple and multi programmes – and their standard approach to the application of rules related to applications was considered efficient.

Sub-question 3.2 To what extent was the application system incl. requirements, submission, evaluation, selection, management and technical support efficient?

Evidence suggests that although the preparation of proposals was time consuming and resource intensive for all types of programmes (with some organisations hiring external consultants to help them prepare and submit the proposals), according to interviewees and survey data the application process was perceived as quite efficient. The survey showed that there is a downward trend in the number of ineligible proposals in the period 2016-2019 for both simple and multi programmes. Interviewees mentioned that the eligibility criteria were clear and that the time required to complete the application process decreases after applying for funding several times. Thus, the efficiency of the application and submission process becomes increasingly efficient with experience, and it could be even higher with more knowledge-sharing opportunities.

Sub-question 3.3: To what extent were the rules applied by MS concerning the procedure for the selection of implementing bodies efficient?

Evidence from the case studies and interviews suggests that the procedure for selecting implementing bodies took a substantial amount of time and was very work intensive. However, the efficiency of selecting implementing bodies varied by NCA. Variability related to the complexity of the rules applied by NCAs, following national laws, and their interpretation and application of these rules. The selection process was deemed transparent and fair, as measured by the final selection of implementing bodies.

Sub-question 3.4: To what extent were the Commission Own Initiative promotion actions efficient?

With regards to Commission own initiatives, the evidence available suggests Commission Own Initiative were implemented efficiently in general, particularly given the complexity and sensitive nature of these events. Some areas for improvement were identified in terms of the efficiency of the implementation of promotional activities and technical support. For example, there was scope for clearer communication between the contracting authority and contractors on expectations in the delivery of promotional activities and technical support.

Evidence from high level missions and trade fair reports suggests that these events have been implemented in an efficient manner, with clear examples of contractors using their initiative to overcome certain barriers like last-minute schedule changes. While all available information was shared and reviewed, having more comparable data in the reports related to high level missions and trade fair events would have contributed to a more complete assessment of the efficiency of Commission own initiatives.

Sub-question 3.5: To what extent does the possibility for organisations to apply for several programmes affect the efficiency of the European agricultural promotion policy?

While concerns were raised regarding the possibility of double funding (i.e. funding the same programme or activity twice from the EU budget) and resourcing issues (related to the administrative burden of managing more than one programme contemporaneously) for organisations which apply to more than one programme at a time, no evidence has been uncovered to support this concern. Indeed, feedback from proposing organisation-coordinators suggests that implementing several programmes simultaneously may result in efficiency gains, as evidenced from interviews, case studies and stakeholder survey. Applying for several programmes increased proposing organisation coordinators' familiarity with the application process, while implementing multiple programmes simultaneously helped proposing organisation coordinators to apply learning across programmes. Moreover, proposing organisations and implementing bodies did not mention resource constraints as an issue affecting their ability to implement programmes simultaneously.

Relevance

EQ4: To what extent is the promotion policy relevant?

Overall, the general and specific objectives of EU agricultural promotion policy were judged to remain relevant to stakeholder needs and aligned with market and policy developments over the period. Possibilities for additional (longer) funding options were considered by stakeholders to be potentially relevant to delivering objectives. In third countries, the promotion policy was particularly relevant as it helped to address gaps in consumer awareness and perceptions, and latent interest in the quality of the EU products promoted. In the internal market, consumers were more interested in other aspects of European agricultural products, such as their nutritional values and country of origin.

The AWPs were relevant to meeting the objectives of the promotion policy by establishing continuous strategic objectives and clear guidelines on all aspects of the promotion policy. Going forward, there is scope to take more direct account of longer-term challenges, such as climate change and the role the promotion policy can take in the transition towards a green and sustainable European agricultural sector.

Commission own initiatives positively supported producer organisations' information, networking and technical support needs, and assisted the creation of opportunities in new and existing third country markets.

Sub-question 4.1: To what extent have the general and specific objectives of the policy been relevant

The promotion policy gave stakeholders greater visibility, especially smaller producers and organisations entering the third market for the first time. It is not possible to assess the relevance of the promotion policy to restoring market conditions after serious disturbances given that no measures were implemented in the reference period since no serious market condition were reported, therefore not requiring a need for intervention. However, the promotion policy appears to be relevant considering the market and policy developments that have taken place. In particular, the policy could have a significant role in the transition towards a green and sustainable European agricultural sector. In terms of stakeholders needs, the funding duration is found to be linked to an ability to achieve meaningful change, indeed for certain products or markets possibilities for longer or top-up options were deemed relevant.

Sub-question 4.2: To what extend are the AWPs relevant to achieve the objectives of the policy?

The priorities set in the Annual Work Programmes (AWPs) were relevant to support the achievement of policy objectives to increase awareness of the high standards of EU goods, enhance the consumption and competitiveness of these goods internally and outside of the Union, as well as the intent to increase market share, especially in third countries. The AWPs provided clear strategic priorities, which were relevant for the challenges faced by the agricultural sector in the reference period, for example, sanctions imposed by Russia. It is possible that environment and climate concerns may need more attention in the future to ensure relevance to such issues.

Sub-question 4.3: To what extent are the own initiative actions by the Commission relevant?

The range of activities supported through Commission own initiatives were relevant to and highly valued by stakeholders at both national and EU level. The initiatives that showed the highest levels of appreciation were information seminars and technical support services, although preferences varied according to stakeholder groups. Targeting of Commission own initiatives was also relevant as they appeared to respond to current challenges and needs on the market and made a positive contribution to providing an overall strategic vision for the EU's agricultural sector.

Sub-question 4.4: To what extent is the signature 'Enjoy! It's from Europe!' on the internal market and in third countries relevant?

The signature 'Enjoy! It's from Europe' is appreciated by stakeholders but seems to be more relevant in third countries than in the internal market. Linking agricultural products to Europe with the signature appears to support promoting European agricultural products in third countries, especially when these are products relatively new in third countries. In the internal market, end-users are already familiar with the quality of European products and, therefore, pay less attention to the signature. Instead, information on the origin of the product, its taste and nutritional values are factors European end-user tend to privilege.

EQ5: To what extent has the promotion policy been coherent internally and externally?

Coherence

The EU agricultural promotion policy is internally coherent to a large extent since the Commission own initiatives address problems that promotion programmes cannot address and there is potential for positive spill over effects between the promotion programmes implemented. In terms of external coherence with similar governmental and private initiatives at Member State level, the extent of the coherence depends on the national contexts and might differ but based on the evidence available the EU agricultural promotion policy has synergies with similar initiatives at national level.

In terms of external coherence with other relevant EU policy areas, there is high level of coherence with the objectives and procedural elements of broader agricultural policies aiming at increased consumption of agri-food products, with EU maritime and fishery policies and EU trade policies.

There is no major inconsistency between the EU agricultural promotion policy and EU health policies. However, the level of coherence has been questioned by some in recent debates on alcohol and meat consumption.

The level of coherence between the EU agricultural promotion policy and EU climate and environmental policies differs across product types, production methods and markets and can be assessed only on a case by case basis.

The EU agricultural promotion policy is broadly coherent with world development policies. The level of coherence could be considered limited for a very small share of promotion programmes targeting developing markets. The exact impact of these promotion programmes on the developing markets cannot be assessed. Therefore, it cannot be concluded on the level of coherence for this small share of promotion programmes.

Sub-question 5.1: To what extent have the Commission Own Initiative actions and promotion programmes been coherent?

The Commission's Own Initiatives aim to tackle strategic issues of a regulatory nature that promotion programmes cannot address. They complement the objectives of the promotion programmes by easing market access for proposing organisations and enhancing the impact of promotion activities affording them higher visibility. The objectives and actions of different promotion programmes are also coherent with each other. Stakeholders recognise the potential of positive spill-over effects across the actions of the EU agricultural promotion policy. However, some of the potential synergies cannot be fully explored in the implementation due to limited coordination and interaction.

Sub-question 5.2: To what extent has the EU promotion policy been coherent with measures implemented by Member States or private initiatives?

The level of coherence between EU and national promotion measures are likely to vary across national contexts as governmental and private funding possibilities differ. Based on stakeholder opinions and singular examples from Member States, the different measures are broadly coherent with each other. They focus on the promotion of similar characteristics of products, thus enhancing each other's impact. The EU promotion policy

also fills in gaps in national funding. In the same vein, private initiatives at national level often focus on the promotion of quality schemes, which creates synergies with measures at EU level in terms of outreach.

Sub-question 5.3: To what extent has the EU promotion policy been coherent with other EU policies aiming at promoting consumption of EU agri-food products?

Sub-question 5.4: To what extent has the EU promotion policy been coherent with other EU policies, in particular environment, climate change, health, trade and development?

The EU agricultural promotion policy is largely consistent with objectives and procedural elements of broader agricultural policies aiming at increased consumption of agri-food products. Despite small inconsistencies in procedural elements, the EU agricultural promotion policy and sector-specific support for the wine sector follow the same objectives, the measures do not overlap in implementation and are likely to enhance each other's impact. The EU agricultural promotion policy and sector-specific support measures focusing on the fruit and vegetables sector also are consistent in objectives, with no risk of overlap in implementation. The EU agricultural promotion policy is also coherent to a large degree with Rural Development Policy measures, since their objectives are consistent, but target groups different, which ensures that the measures implemented complement each other.

The EU agricultural promotion policy is coherent to a large extent with EU trade policies with regards to the targeting of the external market since the two policies are complementary and the design of the EU agricultural promotion policy ensures that its focus is on the relevant target markets.

There is a high level of coherence between the EU agricultural promotion policy and EU maritime and fishery policies. The two policies are consistent in objectives and procedural elements and the EU agricultural promotion policy is often the only option for proposing organisations to participate in promotion activities, due to the lack of an EU maritime and fisheries promotion policy.

The EU agricultural promotion policy is broadly coherent with EU health policies as there are no inconsistencies in its objectives and implementation. However, the extent of coherence differs across the type of measure and depends on the product promoted. The EU agricultural promotion policy appears to have high level of coherence with EU health policies when looking into its link to increasing food safety, promoting balanced nutrition and its objective to increase the consumption of fruits and vegetables. The promotion of eligible alcoholic beverages is questioned by some who consider any consumption of alcohol as harmful. In recent debates some question the promotion of meats noting that consumption levels in the EU are higher than the recommended dietary minimum.

The level of coherence between the EU agricultural promotion policy and EU climate and environmental policies differs across product types, production methods and markets. The EU agricultural promotion policy focuses on the promotion of sustainable production methods, but also on sectors, considered as responsible for a large share of GHG emissions, and on external markets that require longer transportation. The environmental and climate impact of the promotion programmes in these cases depends on a range of factors such as product type, production methods and transport mode and their negative or positive impact on the climate and environment cannot be concluded without a case by case analysis.

The EU agricultural promotion policy is broadly coherent with EU world development policies since the vast majority of promotion programmes focus on developed markets. However, the coherence between the two policy areas could be considered questionable for a very small share of the promotion programmes, targeting developing markets, since they might have a negative impact on the development of the local markets. However, as the impact of these promotion programmes depends on the product type and national

context, it cannot be concluded that they contradict the objectives of the EU world development policy.

EU Added Value

EQ6: To what extent has the promotion policy, both promotion programmes and Commission own initiatives, produced EU added value on the internal market and in third countries?

The EU agricultural promotion policy produced specific EU added value. With regards to the external market, the EU dimension of the EU promotion programmes results in better performance than measures from Member States because EU promotion programmes go beyond national boundaries and can achieve higher visibility due to their scope (i.e. categories of products, use of common signature). In addition, the EU agricultural promotion policy is the only possibility for some organisations to engage in promotion activities with this level of exposure.

With regards to both the external and internal market, EU added value is also derived from the enhanced cooperation and mutual learning of trade operators not available from other funding / promotional activities. Importantly, the Union dimension of the programmes is likely to strengthen the EU identity of agri-food producers and EU citizens, especially if the promotion messages are linked to other EU policy areas thanks to the use of accompanying messages.

The Commission's Own Initiatives bring added value since the activities supported pursue a strategic objective to facilitate market access for EU producers, benefit organisations across Member States and product sectors and would not be possible without EU intervention.

Given the specific EU added value identified, the principle of subsidiarity was respected since the EU agricultural promotion policy achieves more efficient results on the external market and enhances cooperation across Member States. From the perspective of proportionality, the EU agricultural promotion policy is aligned with the importance of international trade to EU agricultural production, also confirmed by the conclusion on its continuous relevance in this evaluation.

10. CONCLUSIONS AND RECOMMENDATIONS

This section presents the conclusions regarding the EU agricultural promotion policy in relation to the five evaluation criteria based on the key findings uncovered. These judgements relate to the first two years of delivery (2016 – 2017) for simple and multi programmes, and the first four years (2016 – 2019) of delivery of Commission own initiatives. Where relevant, a distinction is made between these different measures. Based on these, recommendations have been developed, indicating who should take actions and over what time horizon (short term refers to the next year, medium term is 2-3 years and long term is anything beyond that).

Effectiveness

Conclusion 1: While it is relatively early in the implementation process to fully assess the effectiveness of the promotion policy, activities funded are to a greater or lesser extent effectively supporting the specific objectives and, therefore, contributing to the general objective.

Recommendation 1: DG AGRI and CHAFEA should continue supporting simple and multi programmes with the requisite characteristics to deliver specific objectives. In particular:

a) Proposed activities for awareness raising should be based on sound knowledge of the targeted audience and its media consumption and communication patterns and be tailored to the specific market and sector.
b) Raising the profile of products, quality schemes, and production standards should continue to be supported by a wide range of programme activities including engagement with opinion leaders, traditional and social media advertisements, tastings, trade fair appearances, and information stands,
c) Continue to focus on specific markets in third countries with the highest growth potential, as has been the case over the period 2016-2019.

Conclusion 2: Broadly the design of the promotion policy – including new elements - has underpinned improvements in effective delivery, thereby, supporting the achievement of the promotion policy objectives. Provisions on origins and brands are contested which makes it less straightforward to conclude these rules have a net positive contribution. The design and quality of monitoring and evaluation (M&E) is not as strong as it could or should be to facilitate ongoing learning and accountability.

Recommendation 2: Ahead of the next programming period, DG AGRI and CHAFEA, should review the M&E system for the simple and multi programmes to ensure it is fit for purpose. More specifically:

a) In the medium term, explore the possibility to systematically introduce qualitative indicators at results level, for example looking at how target audiences have responded to the information they received and whether improvements could be made. These might include collecting data on levels of satisfaction and perceptions of usefulness of specific aspects, as well as understanding of messages conveyed and the positive / negative tone of media coverage, for example. This could be achieved through data gathered directly on behalf of the Commission and CHAFEA, to avoid issues with aggregating fragmented data from proposing organisations. For example, there is already data being gathered through Eurobarometer which may be expanded to cover more elements.
b) In the long-term, undertake a review of the M&E framework and invest in strengthening its ability to support decision-making and on-going learning by addressing issues identified in this evaluation, such as:

i. Review the allocation of indicators to the headings: outputs, results and impacts, to enhance their clarity and usability. Consider introducing an 'outcome' category to bridge the gap between results and impacts. This would give a more precise understanding of the achievements of EU funding.
ii. Consider whether some individual activities may have an exemption allowing them to use an outcome indicator instead of an impact indicator, for increased relevance. Also, as mentioned above, whether further additional evaluation activities or commissioned studies should be providing an overarching context and market analysis, which may imply a cost.

c) Further, to facilitate comparisons between programmes and over time, consider establishing a small number of mandatory indicators, ensuring the relevance of indicators to the activities performed as part of the programmes. These may then be supplemented by additional optional indicators from a longer list, where useful.

Conclusion 3: Measures implemented through the Commission own initiatives can be considered to be highly effective at paving the way for entry to or further penetration of third country markets, even if the effects relating to sales, consumption and market share are hard to measure. Despite these measurement difficulties there is room to improve the definition and application of indicators to track performance and facilitate sharing of the lessons learnt.

Recommendation 3: To allow the Commission to better demonstrate the effectiveness of the Commission own initiatives and facilitate learning and comparison over time, improvements to monitoring and evaluation should be prioritised. More specifically, in the short term:

a) Define specific expected results and performance measurement indicators with explicit targets.
b) Contextualise reporting of indicators, ensuring the potentially challenging socio-political environments in which these actions take place and the inherent limits and difficulties that come with it are accounted for.

Efficiency

Conclusion 4: The promotion policy can be judged to have been implemented relatively efficiently. Some clear differences have emerged, however, between the management of simple and multi programmes. Efficiency varies according to the approach to management (with direct management more efficient) meaning there is room for efficiency gains in the future implementation of the programmes, particularly through increased knowledge sharing (i.e. between National Competent Authorities regarding application of the rules in simple programmes; between proposing organisations' coordinators regarding application procedures; and from DG AGRI and CHAFEA towards National Competent Authorities and proposing organisation coordinators to obtain a more consistent approach for the application process and programme management for simple and multi programmes).

Recommendation 4: Consideration should be given to simplifying and harmonising the management procedures associated with the simple programmes, in particular.

a) In the short term, it is recommended that DG AGRI and CHAFEA consider organising knowledge-sharing activities with NCAs and between NCAs– including webinars, workshops and best practice reports – both to learn from the management processes and tools used by CHAFEA for multi programmes and to

participate in peer-to-peer learning and knowledge sharing with their contemporaries in other Member States in order to ensure – to the extent possible within each national context – harmonisation of implementation and sharing of best practices and lessons learnt.

b) In the medium term, it is recommended that, in consultation with Member States, consider possibilities for digitalising the first reporting phase of simple programmes by, for example, providing NCAs with access to established online tools.
c) In the long term, options for streamlining and harmonising the management of simple and multi programmes should be considered in consultation with Member States to address concerns about different approaches to managing simple and multi programmes. Options might include the consolidation of responsibility for management of both simple and multi programmes with CHAFEA or building up a bank of examples of different approaches to allow decisions on the need for greater consistency and/or to support Member State-led approaches.

Conclusion 5: With respect to the Commission own initiatives, while the diplomatic nature and sensitivities of the activities being carried out requires the use of tailored and flexible approaches to implementation and makes it difficult to make meaningful comparisons regarding the efficiency of different events, this would nonetheless be aided by standardising the measurement of indicators used in reporting (e.g. PR value) in order to allow for more direct comparison of aspects of delivery that could inform improvements in efficiency over time.

Recommendation 5: Consideration should be given to developing standardised indicators for assessing the efficiency of Commission own initiatives with clear guidelines on how these should be quantified and reported.

a) In the short term, DG AGRI and CHAFEA should provide additional support - in the form of webinars, through feedback forms at the end of each contract and/or through reports with examples of 'best practice' indicators to measure Commission initiatives - on which indicators are most appropriate to each type of activity and work to specify standardised measures for each indicator.
b) In the medium term, it is recommended that DG AGRI and CHAFEA consider developing tailored guidelines on quantifying specific indicators (such as PR value and the number of participants at specific events, for example). These guidelines could be used by future contractors when preparing their proposals.
c) In the long term, as highlighted under recommendation 3, a review of the M&E framework of the agricultural promotion policy including the indicators used to monitor and evaluate Commission own initiatives is recommended.

Relevance

Conclusion 6: The general and specific objectives of EU agricultural promotion policy and the relevance of the activities supported as a whole are not contested. Indeed, the only specific objective where the relevance was unproven was the specific objective allowing for action in the case of market disturbance, as no case was reported during the evaluation period. However, the lack of use to date does not mean it may not be relevant in the future. Opportunities for increased relevance of the use of the signature 'Enjoy! It's from Europe' (which is deemed more pertinent in third countries) were identified and in the longer term, it is worth considering the role of the policy in the transition towards a green and sustainable European agricultural sector as well as the feasibility of different funding options**.**

Recommendation 6: DG AGRI should continue supporting the agricultural promotion policy and its related activities, which have proven to be very relevant overall. However some areas of improvement were identified in the

short and long term to further increase the relevance of the policy. In particular:

a) In the short term, building on recommendation 4a), it is recommended that CHAFEA and DG AGRI, working together with proposing organisation, consider how to reinforce the relevance of the signature 'Enjoy! It's from Europe' in the internal market based on evidence of what is working well. Additional information, e.g. nutritional information and country/region of origin, as well as the European dimension may enhance the relevance to European consumers.
b) In the medium/long term, as also recommended under coherence, in advance of drafting the priorities of the next AWP, it is strongly recommended that DG AGRI consider the role the promotion policy could have in the transition towards a green and sustainable European agricultural sector, by for example, confirming that sustainability is a primary concern.
c) In the long term, it is recommended that DG AGRI and CHAFEA consider the viability of offering time-limited extensions for high performing programmes or programmes where a phased approach over a longer period is needed (for example, in cases where new products are introduced to the market). Different funding options may be explored (e.g. extensions to existing contracts based on a series of conditions or, new calls for proposals for schemes specifically designed for follow on funding to deliver impact).

Coherence

Conclusion 7: The EU agricultural promotion policy is internally coherent; indeed, the Commission own initiatives complement promotion programmes by addressing strategic questions and promotion programmes benefit from positive spill-over effects in their implementation, with potential for further synergies to be explored.

Recommendation 7: DG AGRI and CHAFEA should continue providing a framework enabling the realisation of positive spill-over effects between promotion programmes and Commission own initiatives. In view of exploring even further synergies:

- In the short term, it is recommended that CHAFEA explore whether complementarity between individual simple and multi promotion programmes, as well as promotion programmes and Commission own initiatives, could be even further increased by compiling and maintaining an internal database of all activities to ensure identification of synergies.
- In the medium term, it is recommended that DG AGRI and CHAFEA explore whether the interaction between promotion programmes targeting similar markets or products could be further enhanced, via the development of new communication channels, enabling knowledge and information exchange.

Conclusion 8: Based on stakeholder opinions and examples of single Member States, the EU agricultural promotion policy is broadly coherent with similar governmental and private measures implemented at national level as the promotion activities enhance each other's impact by promoting the same product characteristics or filling in gaps in funding. Potential areas of tension in implementation were identified but could not be supported by concrete examples. It should be considered that the national context in terms of public and private funding opportunities differ and the evaluation could not provide a comprehensive overview of all initiatives at national level.

Recommendation 8: DG AGRI should continue supporting promotion programmes in coherence with initiatives at regional and national level. If there is sufficient interest within DG AGRI, a study could be commissioned to provide a comprehensive overview of all governmental and private initiatives in the Member States, in order to position the EU intervention even more strategically within the different national contexts.

Conclusion 9: There is no major inconsistency between the EU agricultural promotion policy and other EU policies, including the EU health, climate and environmental and development policies. Promotion of specific product types (e.g. those which in certain circumstances can be considered as harmful to human health), production methods (e.g. those that may have a negative environmental and climate impact) and in certain markets (e.g. developing countries) will need careful attention going forwards in light of developments such as the European Green Deal among others.

Recommendation 9: It is recommended that DG AGRI continues setting the strategic priorities of the AWP taking into consideration developments in other relevant EU policy areas. In view of current shifts in political priorities and new EU initiatives, DG AGRI should focus in the upcoming years on further aligning the strategic priorities of the AWP with climate, environmental, health and development policy objectives. In particular, in the medium term:

a) DG AGRI should continue exchange with other EU institutions regarding the role of the promotion policy within new initiatives such as the Farm to Fork Strategy and align even further thematic priorities ahead of the next programming period with the objectives of the European Green Deal, in order to further support the transition to a sustainable and green agricultural sector (as mentioned under Recommendation 6b).
b) DG AGRI should continue using existing consultation formats (ISSG, Civil Dialogue Group) to monitor shifts in relevant definitions with regards to healthy lifestyles and balanced nutrition.
c) In line with the EU commitment to policy coherence for development, DG AGRI should consider incorporating an analysis of potential impacts of the promotion programmes on developing countries. This would allow an increase in the robustness of evidence, justifying the targeting of these markets in the AWPs in view of potential criticism.

EU Added Value

Conclusion 10: It is possible to identify a specific EU added value generated by promotion activities designed and managed at the EU level which focus on categories of products, rather than brands. These activities bring an EU dimension to cooperation and provide opportunities for learning and collaboration among EU trade operators which go beyond the purview of national or private sector initiatives.

Recommendation 10: Continue to deliver EU added value with the implementation of the EU Agricultural promotion policy in line with the findings from this evaluation and the recommendations made, more specifically

a) Enhance the exchange of knowledge and experiences between beneficiaries in line with Recommendation 4a.
b) Reinforce the slogan 'Enjoy! It's from Europe' in the internal market in line with Recommendation 6a.
c) Reinforce synergies between the promotion programmes and Commission own initiatives in line with Recommendation 7.

d) Reinforce the coherence with other EU' politics (health, environment) in line with Recommendation 9.

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