



European Commission
Directorate-General for Agriculture

Newsletter

ISSN 1560-1862

Promotion of EU agricultural products outside the Union

The European Commission has approved measures to promote agricultural products outside the EU in 2002–05. It accepted 18 of the 33 promotion programmes submitted by professional organisations. The promotion campaigns are mostly targeted at countries in the Far East, the United States, Brazil and the enlargement countries of central and eastern Europe (CEECs). The products covered are mainly wines, fruit and vegetables, cheeses and pigmeat. The estimated expenditure for the programmes is EUR 19.6 million, of which the EU will contribute EUR 9.8 million.

The aim of the programmes is to support the marketing of EU products in the face of growing international competition, in particular by highlighting the advantages of Community products in terms of quality, hygiene, food safety, nutrition, labelling, animal welfare or environment-friendliness.

A few brief examples include:

- Comté and Parmigiano cheeses and Parma ham — US trade press campaign, presence at fairs in San Francisco, New York and Chicago;
- Alsace and Rhône wines — in Japan, publicity campaign in the restaurant trade, wine-tastings;
- range of Spanish products — mail shots, promotion stands in supermarkets in Brazil, Japan and the United States;
- Belgian beef, pork, chicken — presence at major fairs in Tokyo, Singapore, Shanghai and Moscow, seminars, publication of brochures.

As a rule, the Community will provide 50 % of the funding and the professional food industry and trade bodies and Member States will provide the other half (30 % and 20 % respectively). In specific cases (information on Community quality and labelling schemes, trade missions, new market studies), the Union may contribute up to 100 % ⁽¹⁾. By 30 April each year (2002–04), Member States must send the Commission

the list of newly proposed programmes and implementing organisations they have selected and a copy of each programme. Subsequently the Commission evaluates the programmes and decides on their eligibility. The Commission regulation lists the products and third-country markets where promotion measures can be carried out and which can be covered by these measures.

Information campaign on beef and veal within EU ⁽²⁾

The European Commission has also accepted 13 of the 19 communication programmes ⁽³⁾ on beef and veal which were submitted by Member States and professional organisations. The programmes will provide information to consumers on the way beef is produced, controlled, labelled and marketed. They will last for one year and involve an EU contribution of EUR 8.3 million.

This initiative is designed to inform European consumers about EU and national legislation on safety controls in the beef and veal production chain. The Member States selected programmes proposed by professional and inter-professional organisations operating in these markets, 11 of which were then approved by the Commission. The Community finances 60 % of the cost, the organisations themselves funding the rest. In addition, Member States can apply for 60 % funding for national information measures to supplement these activities. In particular, these should be aimed at the organisation of conferences, seminars and Internet information. The Commission approved two such programmes, for Germany and Ireland.

The Commission has asked for further information on two programmes submitted by the UK, which may be approved later.

⁽¹⁾ Detailed rules for applying the promotion and information measures were laid down by Commission Regulation (EC) No 2879/2000.

⁽²⁾ The 'Agriculture and food' web site (<http://europa.eu.int/comm/agriculture/foodqual/beef>) now includes a new chapter on beef and veal.

⁽³⁾ Commission Regulation (EC) No 1358/2001.

EU-South Africa wine and spirits agreements

The European Commission adopted a proposal on 10 December 2001 for two bilateral agreements with South Africa on wine and spirits. Negotiations have been going on since 1995, as part of a wider trade agreement between the two parties (see Newsletter No 10). They entered into force provisionally on 1 January 2002, pending the formal decision of the Council (21 January) and the signature of the South African representatives. The main points of the agreements are as follows.

- Protection of geographical indications: this is of particular importance to the Community. In order to grant exclusive protection to Community designations, South Africa will refrain from using the terms 'port' and 'sherry' on its export markets (after five years) and on its domestic market (after 12 years). It also provides for the elimination of conflictual trademarks, considered as misleading, and which were acquired before the entry into force of the TRIPs ⁽¹⁾ Agreement for 'non-originating' wines. For spirits, terms such as *grappa* and *ouzo* will also be phased out over a five-year period.
- Oenological practices and safeguard provisions for health and consumer protection: South Africa will

allow EU wine that has undergone specific practices or wine with particular analytical composition (e.g. late harvest or high quality wine from grapes affected by noble rot) to be marketed in its territory. In return, the EU will authorise the import of specially treated South African wine (e.g. that with added malic acid).

- Import licences: both parties have agreed on the mutual recognition of import licences issued by the exporting countries.
- Quotas: increase in the volume of the duty free tariff quota for South African wines imported in bottles, from 32 million litres to 42 million litres, effective from 1 January 2002.
- EUR 15 million of Commission aid for restructuring of the South African wine and spirits industry will also come into effect at the same time as the agreement.

A joint committee consisting of the Commission and South African representatives will be set up to monitor the correct operation of the agreement. The Commission proposes that the Council authorise it to make any necessary amendments, as is the case with other bilateral wine agreements that are already in force ⁽²⁾.

⁽¹⁾ The TRIPs Agreement is Annex IC of the Marrakesh Agreement establishing the World Trade Organisation, and deals with intellectual property rights.

⁽²⁾ According to the procedure laid down in Article 75 of Council Regulation (EC) No 1493/1999 of 17 May 1999 on the common organisation of the market in wine.

News in brief

□ Bananas

Following the approval of waivers at the WTO ministerial in Doha in November (see Newsletter No 40), the Agriculture Council, at its meeting on 19 December 2001, was able to modify the framework regulation ⁽¹⁾ on bananas according to the understandings reached with the United States and Ecuador in April 2001. This is effective from 1 January 2002, and opens the way for the United States to definitively lift its sanctions against other EU products. In addition to changes in the quota system, other technical modifications are included which relate to the financing of producer organisations, an update of the tariff and statistical nomenclature of the products and new rules on comitology and compensatory aid.

□ Reform of sheep and goatmeat market agreed

The Agricultural Council of 19 December adopted the Commission's proposal on reform of the common organisation of the market (COM) for sheep and goatmeat (see Newsletter No 34). The most important change is from a premium payment calculated annually to a fixed annual premium of EUR 21 per ewe. This will, *inter alia*, simplify the administration of the COM. Each Member State will also have a national budget of EUR 72 million. They can pay farmers according to objective criteria, such as headage payments, payments for specific types of production, support for restructuring, improvements of processing or marketing. They can also opt to pay all farmers a simple across-the-board top-up to the per head premia. The new COM applies from 1 January 2002.

⁽¹⁾ Council Regulation (EC) No 2587/2001 amending Regulation (EEC) No 404/93.



European Commission
Directorate-General for Agriculture

Published by: Eugène LEGUEN DE LACROIX, EC Directorate-General for Agriculture.
This publication does not necessarily express the official views of the Commission.
For further information: European Commission, Office: L/130-4/148A, B-1049 Brussels
Tel. (32-2) 295 32 40, exchange (32-2) 299 11 11, fax (32-2) 295 75 40
Telex: COMEU B 21877. Internet: http://europa.eu.int/comm/agriculture/index_en.htm
Printed on recycled paper

Text finalised 12/12/2001

KF-AA-02-001-EN-C