

N.03

Promoting agricultural production under recognized quality label / standards

Introduction:

One of the objectives of rural development policy, as laid out in the Community strategic guidelines for the programming period 2007-2013, is to increase the competitiveness of the agricultural and forestry sector.

In this respect a significant share of the resources are devoted by the Rural Development Programmes (RDPs) to contribute to a strong and dynamic European agri-food sector by promoting quality agricultural production.



Identifying the needs

Europe's food industry is one of the world's most competitive and innovative, but it is facing increasing global competition. There is considerable scope in rural economies to create and market new products, to retain more value in rural areas through quality schemes and to raise the profile of European products overseas. The use of advisory services and support to meet Community standards contributes to this integration process.

A more market-oriented agricultural sector will help further consolidate the position of Europe's agri-food sector as a major employer and source of economic growth.

In order to promote integration in the agri-food chain, Rural development policy offers a range of possibilities to exploit the food-processing sector's great potential to further develop high-quality and value-added products that meet the diverse and growing demand of Europe's consumers and world markets.

The interventions at "a glance"

RDP support is provided to help farmers adapt to the new EC standards in the domains of the environment, public health, animal and plant health, animal welfare, and occupational safety. As the farming practice is confronted with new obligations and restrictions concerning the quality of agricultural production and products, a more rapid implementation of these standards will improve the sustainability of the agricultural sector.

Food quality, when higher than required under the obligatory standards, can bring added value for agricultural primary products and enhance market opportunities for producers. To further this aim, rural development programmes offer incentive support to farmers to participate in such quality schemes providing, at the same time, consumers with assurances on the quality of the product and the production process.

Producer groups are supported through information and promotion activities for products under food quality schemes. Quality agricultural products need to be accompanied with adequate marketing to improve their market penetration. Promotion and information activities emphasize specific features or advantages of the products concerned, notably the quality, specific production methods, high animal welfare standards and respect for the environment. In this way improving information and awareness will engage consumers to buy the agricultural products or foodstuffs covered by quality schemes provided in the rural development programmes.

Relevant RDP measures

- ❖ Measure 131 – Helping farmers to adapt to demanding standards based on Community legislation
- ❖ Measure 132 – Supporting farmers who participate in food quality schemes
- ❖ Measure 133 – Supporting producer groups for information and promotion activities for products under food quality schemes

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Target groups

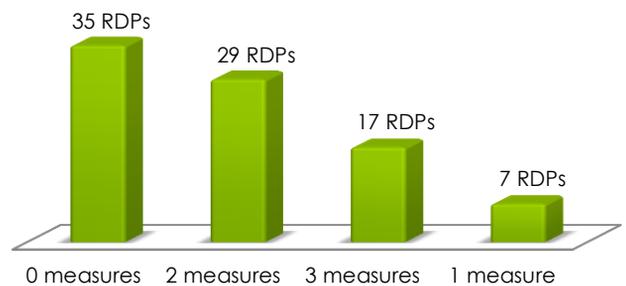
The target groups of such activities are in general all EU farmers and especially those farmers producing agricultural products for human consumption. Moreover beneficiaries can be organisations of whatever legal form (excluding professional and/or inter-professional organisations representing one or more sectors) which bring together operators participating in a quality scheme covered by the EC rural development Regulation.

Selection of measures in the Member States

According to their needs and priorities, as identified in their National Strategy Plans, the Member States have decided to implement combinations of the previously described interventions as to support quality production in the agri-food sector.

As shown in the chart in the left, in 35 of the 88 RDPs the member states have chosen not to activate any of these measures. In about one third of the RDPs, two of the quality supporting measures have been activated while in 17 of the RDPs all of above measures have been selected.

Quality measures: Number of measures implemented in the 88 RDPs

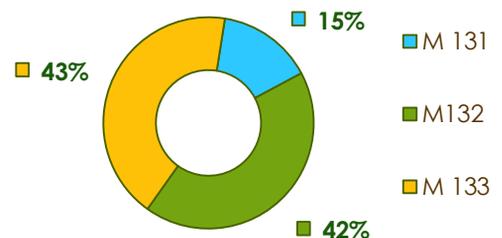


Financial support

This objective is supported by a budget of €867 million in programmed total public expenditure for 2007-2013 for the three measures. The EAFRD contribution to the above programmed total public expenditure amounts to €487 million. This allocation accounts for 0.56% of the total public expenditure for rural development of €154 billion for the period 2007-2013 for the whole EU.

By 2011, €204 million or 24% of the programmed €867 million had been used by the Member States to promote agricultural production under quality schemes.

Breakdown per measure of the programmed total public expenditure for 2007-2013 supporting agricultural production under recognized quality label / standards (EU 27)



Organic slaughter-house in Sasov Czech Republic

(RDP measure 131)

An organic farm in Sasov at the Vysocina region of the Czech Republic received EAFRD support to improve the quality of its services by building a modern slaughterhouse with a capacity of 10,000 pigs or 2,000 beef-cattle annually.

The activities in the Sasov organic farm include plant and livestock production. The farm uses traditional methods (e.g. crop variety and a closed nutrient cycle) in combination with modern mechanisation and new technologies. Quality breeding and welfare of the animals on the farm are high priorities of the farmer who, as early as the 1990s, conceived the idea of establishing his own slaughterhouse to limit animal stress.

The total cost of the investment was €740 000 of which €260 000 was the EAFRD contribution.

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Financial implementation progress

Up to 2011, these measures have been implemented at various rates across Europe. More than half (60%) of measure's 131 allocated funds for the period 2007-2013 have been used, while on measures 132 and 133 the expenditure rates amount to 18% and 17% of their programmed budgets respectively.

Physical outputs (2007 - 2009)

Across the EU, more than 8 000 beneficiaries received support to adapt to the Community quality standards and more than 130 000 producers already participating in food quality schemes received support to adopt additional high quality standards.

In addition more than 2 000 promotion activities were supported up to 2009, raising consumers' awareness about the availability of high quality products.

Lithuanian "farm of the year" competition for 2010

(RDP measure 133)

This project funded a best practice award scheme for Lithuanian farmers in 2010. The competition was organised by the Lithuanian Farmers' Union. The objective of the project was to promote good agricultural practice among Lithuanian farmers in issues such as agri-business efficiency, environmental contributions, innovation and technological development.

The funds were used to cover costs involved in assessing the applications from candidate farmers and selecting 129 contest winners. The prizes were awarded to farms that can act as demonstration projects and encourage other farmers to adopt similar good practice approaches.

In this way the results help improve competitiveness, improve the countryside and promote quality of life in rural Lithuania.

The total cost of this project was €2753 of which €2 500 was the EAFRD contribution.



Source of the data:

- Programmed expenditures 2007-2013: RDP budget allocation following Health Check revision (December 2011)
- Expenditures 2007-2011: DG AGRI
- Output indicators: monitoring tables submitted by Managing Authorities along with the 2008, 2009 and 2010 Annual Progress Reports. Data referring to programming years 2007 to 2009. Only commitments made from year 2007 onwards are considered.
- Output targets 2007-2013: DG AGRI
- Community strategic guidelines for rural development (programming period 2007 to 2013) http://ec.europa.eu/agriculture/rurdev/leg/index_en.htm
- Common Monitoring and Evaluation Framework (CMEF) http://ec.europa.eu/agriculture/rurdev/eval/index_en.htm
- ENRD Projects Database http://enrd.ec.europa.eu/projects/en/projects_home.ctm