



COMMISSION OF THE EUROPEAN COMMUNITIES

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COMMUNICATION FROM THE COMMISSION TO THE COUNCIL

**Action programme to promote milk consumption in the Community
and expand the markets for milk and milk products: 1996/97 milk year**

Summary

1. Council Regulation (EEC) No 2073/92 on promoting consumption in the Community and expanding the markets for milk and milk products states that the Commission is to notify to the Council each year its proposed programme of measures for the following marketing year.
2. Commission Regulation (EC) No 3582/93 on detailed rules for application of Regulation (EEC) No 2073/92 stipulates that the programme is to specify one or more subjects to be covered by these measures, a breakdown of the amount available for financing the measures and a timetable for consideration and selection of the applications for financing presented to the Commission.
3. This communication pertains to the programme for the 1996/97 milk year.

As in previous years, the Commission has decided to restrict financing to general action covering milk and/or all milk products. The actual subjects to be covered by the programme are primarily the nutritional qualities and modern image of the product. The measures selected are thus those indicated at Article 1(2)(a) and (c) of Regulation (EEC) No 2073/92.

As regards allocation of the amounts available for funding the action proposed, the Commission has chosen an approach based on previous experience and in particular an assessment of the results of programmes carried out during the 1994/95 campaign.

Lastly the Commission sets out the preference rules that may be applied to applications.

COMMUNICATION FROM THE COMMISSION TO THE COUNCIL

Action programme to promote milk consumption in the Community and expand the markets for milk and milk products: 1996/97 milk year

I. SUBJECT

1. Article 1(2) of Council Regulation (EEC) No 2073/92¹ lists in full the measures that may be adopted by the Commission in order to promote milk consumption in the Community and expand the markets in milk and milk products.
2. Article 2 of the Regulation requires the Commission to notify the Council before 1 April of the action programme it plans for the forthcoming marketing year.
3. Article 2 of Commission Regulation (EC) No 3582/93² requires the programme to specify a choice of one or more of the measures listed in Regulation (EEC) No 2703/92, indicate the subjects to be covered by action under these measures, give a breakdown of the amount available for financing action under the measures and set a timetable for the procedures for consideration and selection of the applications for financing.
4. This communication is in four parts:
 - summary of the results of previous campaigns,
 - strategy for the 1996/97 marketing year;
 - presentation of proposals,
 - procedure for processing and selecting applications.

II. SUMMARY OF THE RESULTS OF THE 1994/95 CAMPAIGN

The latest reports available relate to the 1994/95 campaign, since the one for 1995/96 began only in May/June 1996.

In 1994/95, five countries (Germany, Ireland, Greece, Italy and the United Kingdom) used the traditional media of the press and television. In the United Kingdom, for example, the campaign, which employed two commercials and the press in its media support, was highly successful. Milk consumption grew by 8% among infants aged up to two years and by 5% for children aged between 2 and 4 years. Economic analysis predicts future sales of an extra 7.4 million litres of milk over the next two years. Awareness of the benefits

¹ OJ No L 215, 30.7.1992, p. 67.

² OJ No L 326, 28.12.1993, p. 23.

of milk has also increased substantially. In Germany, milk consumption increased by 4.1% and demand from households also increased.

Three countries (Belgium, France and Denmark) organized sporting events. Assessments suggest that these are an excellent way of drawing the attention of young people to milk. They place the product in a sporting context attractive to young people while sending a positive message about the benefits of milk. Several thousand active contacts were formed in this way and the activities were noticed in a number of daily papers and on television.

Integrated campaigns were organized in Portugal and Spain. There can be no doubt that promotional campaigns helped boost the consumption of pasteurized milk, for example by 23% in Spain during the first nine months of 1995. The campaigns included publicity, public relations and activities. The 'milk and health' week in Spain attracted 84 000 potential consumers. In Portugal, one of the three main strands was a 'milk caravan' which visited 31 beaches and established 44 500 active contacts.

The scientific information made available to all the Member States by CERIN in France is being consulted more frequently. This database, which is updated daily, is a very valuable tool for information on scientific data.

III. STRATEGY FOR THE 1996/97 CAMPAIGN

Action in 1996/97 must fit into a comprehensive promotion strategy based on the experience of previous years.

During 1995/96, eight different kinds of programmes designed to boost consumption of milk and milk products and aimed principally at young people aged between 15 and 25 are being carried out in the 15 Member States. In seven Member States (France, Ireland, Germany, Belgium, Spain, the Netherlands and the United Kingdom), this is a continuation and development of the 1994/95 campaign. Two of the new Member States (Sweden and Finland) have coordinated their campaign plans.

Five of these programmes are primarily addressed to young people under 25:

1. Press for young people: Germany and Austria (with a milk day)
2. TV commercials: Ireland, Greece and the United Kingdom
3. Press and television (traditional commercials): Denmark
4. Activities: competitions and other activities for young people including sports sponsorship: Belgium, France, Italy and Portugal (Italy and Portugal have bolstered their programmes by making use of the media).
5. Press, video, brochures and posters: publicity in the specialist (health) press and magazines for young people, distribution of material in schools, health and sports centres: Finland and Sweden

Two types of programme aim to spread information on the nutritional qualities of milk:

6. Information and courses targeted at two age groups: the Netherlands (12-20 and 35-49)
7. Upstream scientific information: France and Belgium

The eighth programme is an integrated campaign (advertising, information, public relations):

8. Integrated campaigns: Spain and Luxembourg.

These programmes, 100% financed by the Community, are in most cases running parallel to national campaigns financed from 'compulsory contributions' that have replaced the co-responsibility funds. In some Member States (Spain, Portugal, Italy and Greece) these contributions do not exist, hence the need to expand action closer to the market, while in others action can be targeted upstream and carry an essentially nutritional message. Great care must, however, be taken to ensure that the message transmitted is scientifically justified.

It will be easily understood that whatever its apparent economic interest a single pan-European campaign is an impossibility. A diversified strategy must therefore be formulated that respects the characteristics of the various geographical areas of consumption.

As in previous years, for the 1996/97 campaign the measures selected must fit the indications given in Article 1(2)(a) and (c) of Regulation (EEC) No 2073/92.

1. Aims

Total consumption of milk and milk products in the Community of 12, in whole-milk-equivalent terms, ranged in 1994 from 161 kg/year per head in Portugal to 405 kg/year per head in Denmark. However, it should be noted that between 1990 and 1994 consumption of milk products in whole-milk-equivalent terms in the Community fell except in Germany, Greece, Spain and Portugal while remaining stable in Belgium and Luxembourg.

In the specific case of liquid milk, consumption per head per year has fallen very sharply in the three new Member States over the last decade, most notably in 1985-90.

The main aim will be to increase total average consumption, i.e. to halt the decline in high-consumption Member States and boost its rise in those where consumption is low. Given the specific characteristics of the markets, these aims will be attainable by spotlighting various positive aspects of milk products, particularly their nutritional qualities.

2. Targets

As in previous years, the under-25s (without regard to income) will be the main target. The idea is that milk should no longer be something they are given to drink but a drink chosen by this fairly socially undifferentiated age group.

Certain specific population segments considered at high nutritional risk (pregnant women, young children, old people, immigrants) are secondary targets to whom the nutritional aspect (calcium and vitamins) is relevant.

3. Choice of subject

As in 1994/95 and 1995/96, the proposals selected will be concerned with either or both:

- *nutrition*: milk and/or milk products as a healthy food providing calcium and vitamins, the lack of which can lead to serious deficiencies,
- *a modern image for milk and the pleasure aspect*: milk and/or milk products as perfectly adapted to current consumer trends while remaining pure and natural; also as a source of pleasure chiming with current values and tastes.

Extension to milk products is permitted on condition that they are not specified: the products promoted will be liquid milk and/or all milk products.

IV. MONITORING

Since this campaign is under indirect management, the national contracting body is responsible for monitoring the measures envisaged in the programme (Articles 7 and 8 of Regulation (EC) No 3582/93). To this end, the competent body will receive, with a view to payment, quarterly invoices accompanied by supporting documents and an interim report on performance of the contract along with a request for the balance accompanied by supporting documents, a statement summarising measures carried out and a report assessing the results achieved. The competent body must take the necessary measures to verify the accuracy of the information and documents provided and fulfilment of all contractual obligations, in particular by means of technical, administrative and accounting checks on the premises of the contracting parties and any associates they may have.

The Commission may, if necessary, carry out accounting and on-site checks on the premises of the contracting parties and any associates they may have.

V. RESOURCES FOR THE 1996/97 CAMPAIGN

The total budget of ECU 9 075 822 for 1995/96 was used as follows:

-	Traditional media	67.3% of which:	TV	28%	
			press	29.6%	
			radio	2.9%	
			billboards	6.8%	
-	Equipment	8.1%	of which:	publishing	5.8%
				audio-visual	1.6%
				exhibitions	0.7%
-	Sports and other sponsoring ³	16.3%			
-	Personnel	6.3%			
-	Overheads	2%			

The figures prove that the guidelines given in point II 3 of the Commission communication on the 1995/96 campaign⁴ have been broadly followed. In 1996/97, assuming an appropriation of ECU 9 million in the 1997 budget for promotion campaigns in the milk sector, the appropriation under the "personnel" heading would have to be still further reduced (maximum 5%) so that the appropriations for other resources can be increased reciprocally. Assessments of previous campaigns indicate very good results for sports sponsorship and publicity and awareness activities. The appropriation for this heading in the new campaign should therefore be increased to bring it up to 20%. In addition, the heading "media" should be brought up to 70%. In this respect, it should be stressed that in future publicity or promotion activities linked to mail-order sales or sales by radio or television should be excluded from financing. Point-of-sale promotions should also be treated with caution in case commercial brands are thereby favoured.

VI. PRESENTATION OF PROPOSALS

Proposals must include the following sections.

1. Specification of the aims, targets and means proposed showing how they fit into the general strategy set out in II above.
2. A preliminary cost-effectiveness analysis of the proposal (as set out in the Annex to this notice) and an indication of how the results of the programme will be assessed in retrospect:

³ Including milk days, seminars, point-of-sale activities and others.

⁴ OJ No C 173, 8.7.1995, p. 5.

POINTS IN THE FINAL REPORT

1. Findings

Trend:

- in consumption
- in consumer attitudes and knowledge of the product from the start of the campaign.

2. Analysis

The qualitative and quantitative results secured from each measure:

- the impact of television publicity,
- the impact of press publicity,
- the impact of sponsorship,
- the impact of public relations,
- the impact of other measures.

The impact analysis should also indicate any weak points in certain measures and problems encountered in management.

3. Notes and conclusions

3. A commitment to put over only positive messages and not make comparisons with other products.
4. A commitment not to use publicity messages associated with the sale of products by mail-order and/or radio or television (tele-sales).
5. A commitment to submit a report assessing the results of the programme prepared by an independent body in accordance with 2 above.

The action proposed must of course conform with the provisions of Article 3(2) of Regulation (EC) No 3582/93.

VII. PROCEDURE FOR CONSIDERING AND SELECTING APPLICATIONS

1. By 30 September 1996 proposals must be submitted to the competent bodies in triplicate with a summary in English, French or German. The budget should be expressed in ecus.
2. By 30 October 1996 all proposals will be forwarded to the Commission in duplicate accompanied by a reasoned opinion drawn up by the competent body. This opinion will list the proposals in order of priority.
3. The Commission will draw up the list of proposals selected and notify the Member States. Priority will be given to projects which:
 - highlight the positive aspects ('qualities') of milk and milk products,

- respect the indicative breakdown of expenditure given in V above, in particular the percentages of 70% for media spending, 20% for sponsoring sports and other activities and 5% maximum for personnel,
- are justified by the assessment report on previous campaigns where the body concerned took part in those campaigns.

Account will also be taken of the preference criteria set out in Article 5(3) of Regulation (EC) No 3582/93.

VIII. CONCLUSION

The first two years of application of Regulation (EC) No 3582/93 allowed the development of coherent programmes of sufficient diversity to reflect the specific concerns of consumers. The Commission intends to pursue this approach in 1996/97 and will endeavour to select proposals which offer the best cost-effectiveness relationship and promise the most effective synergy for durable consolidation of the European market in milk and milk products.

ANNEX

COST-EFFECTIVENESS ANALYSIS

1. Specific quantifiable aims, target population
 - Specific aims: links with general aim
 - Target population: distinguishing by aim if appropriate, specify the final beneficiaries of the spending from the Community budget and the intermediaries used.
2. Grounds of proposal
 - Need for spending from Community budget
 - Choice of action
 - * advantages over alternative action (comparative advantages)
 - * analysis of similar projects mounted at Community or national level
 - Main uncertainty factors affecting specific achievements of project
3. Monitoring and evaluation of project
 - Performance indicators
 - * output indicators (measurement of activity deployed)
 - * impact indicators (by aim pursued)
 - Details and frequency of evaluation planned
 - Assessment of results obtained.

DOCUMENTS

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