

Brussels, 08/04/2021

## oriGIn EU position REVISION OF THE EU GI SYSTEMS

**oriGIn EU** is the European branch of the global alliance of GIs (<https://www.origin-gi.com>). Its mission is to ensure better protection and promotion of GIs before the EU institutions. oriGIn EU represents individual European GIs groups as well as national GIs organisations.

At the end of 2018, 3872 EU GIs were protected in the EU, including 1942 wines, 1652 agricultural products and foodstuffs, 273 spirits and 5 aromatised wine products. In value terms, the EU market for geographical indications represents more than €55 billion and they account for more than 15% of total EU food and drink exports.

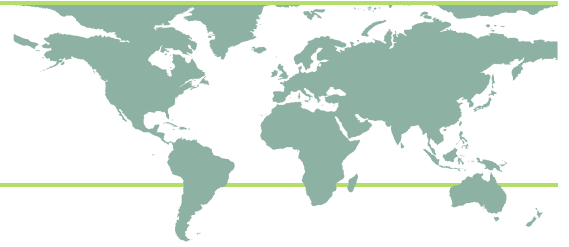
The role played by EU food quality scheme, and in particular GIs is widely demonstrated at producers, consumers and society's levels. Expectations in terms of quality, diversity and rural development are rapidly changing though. The on-going debate on the future of the CAP shows a strong demand for a renewed agricultural policy, which takes into account the contribution of agriculture to the pursuit of environmental, social and economic objectives as well as to the society as a whole. For this reason, oriGIn EU acknowledges the EU quality policy as a public policy aiming at delivering public goods to the whole European society. **As such, GIs should be considered a major pillar of the Farm to Fork (F2F) strategy for a transition towards a European sustainable food system.**

In fact, EU quality policy already contributes to several fundamental objectives of F2F strategy in particular: addressing citizens demand for a variety of traditional products with the highest possible standards of food safety and quality; ensuring economic sustainability thanks to conditions of fair competition and higher producers income; ensuring sustainable food production through the protection of rural landscape and sustainable management and reproduction of natural resources; and providing clear communication to consumers concerning product characteristics and origin. Furthermore, GIs' traceability and protection mechanism represents an important and efficient tool to combatting food fraud.

oriGIn EU welcomes the Commission initiative to consult with stakeholders and citizens regarding the revision of the EU Geographical Indications' system. **We firmly believe that this initiative is fundamental to strengthen EU quality policy and maximise GIs potential, as well as their contribution to F2F strategy.**

You will find below our expectations when it comes to ensuring that the EU remains the world leader in quality product and sustainable rural development and, in particular, to strengthening the GIs legal framework.

**As an introduction, we would like to stress that oriGIn EU strongly supports the GI-related content of the European Parliament reports on the *Proposal for a regulation of the European Parliament and of the Council amending Regulations (EU) No 1308/2013, (EU) No 1151/2012, (EU) No 251/2014, (EU) No 228/2013 and (EU) No 229/2013*, and on the *Proposal for a regulation of the European Parliament and of the Council establishing rules on support for strategic plans to be drawn up by Member States under the Common agricultural policy*. We believe that the position adopted by the European Parliament represents an opportunity to strengthen the GI legal framework in accordance with the expectations of both producers and consumers. We call for the co-legislators to adopt these progressive amendments in the shortest possible timeframe.**



## 1. Enabling GIs to better respond to sustainability challenges

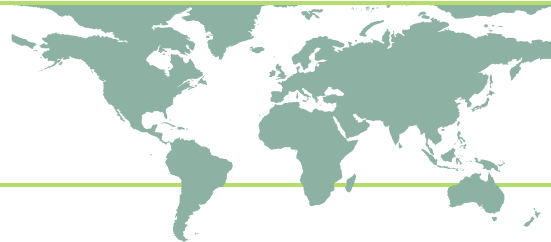
GI products are part of the broader framework of rural development and the quality policy is a major pillar of the sustainable European food system.

The debate on the future of the Common Agricultural Policy has generated strong demand for a renewed policy, which takes into account the impact of agriculture on the environment and its contribution towards socio-economic public goods. Production methods, particularly in terms of environmental impact, sustainability of resources, animal welfare and value chain governance (fair remuneration of farmers, quality of life, etc.) are becoming important requirements. Private labels have understood these challenges and are developing their own standards integrating such components. As a result, there is often confusion on the market regarding the values behind different labels and schemes.

In this context, it is essential to provide GI groups with more flexibility to include in products' specifications provisions that will allow them to meet the society's expectations in terms of quality and environmental, economic and social sustainability.

### To this end we call on the Commission to:

- Make the quality concept for GIs more flexible and comprehensive to take into account emerging consumers' expectations;
- Allow on a voluntary basis the notion of sustainable development - economic, social and environmental considerations - to be included in GI products' specifications;
- Do not penalize GI sectors and producers that contribute to the variety and diversity of diets in Member States and in the EU as a whole. These diets are often recognised as nutritional models and are intangible cultural heritage;
- Do not add a label or other information means related to sustainability to GI;
- Promote and support the process of GIs towards greater sustainability through:
  - Financial support for the creation of new formative offers to train GIs experts and professionals able to understand the complexity, characterisation, construction and territorial impact of GIs;
  - Financial support to producers groups to carry out ex-ante evaluations of the impact of registering a new GIs, as well as strategic diagnostics concerning the application process and GI products characterisation;
  - Financially support ex-post evaluation of the impact of a registered GI in order to update product specifications addressing sustainability issues and taking into account consumers' expectations, developments in scientific and technical knowledge, evolution in market and marketing standards, as well as climate change adaptation and risk management
  - Introduce training for GIs producers and groups in order to accompany them through a sustainability assessment;
  - Keep the budget for GI promotional programs without creating an unnecessary tension with the resources available for organic products.



## 2. Strengthening the role of GIs as a tool for rural development

The creation of added value through GIs acts as a strong incentive for producers but also facilitates the renewal of generations and the dynamics of the territories. In this respect, GIs are fully in line with the objectives of EU rural development policy.

On the other hand, the economic balance of many GI products remains very fragile and the evolution of production systems (new environmental, social obligations) requires support from the CAP to GI producers. This support should be targeted, in particular to better promote collective commitments and, in the long term, ultimately, to strengthen operators by helping them create value. Producers need support through measures such as verification of compliance support, information and promotion.

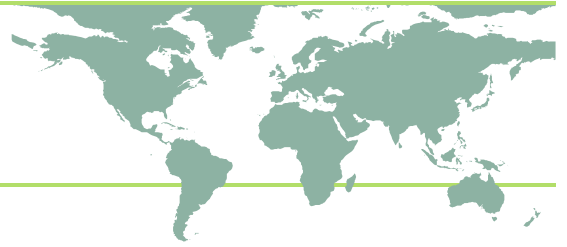
The dynamism of a GI is organised around producer organisations which bring together all its operators on the territory to manage the implementation of the GI, the management of the specifications, the defence of the name and the promotion of the product. Strengthening the dynamism of the GI requires better recognition and consideration of the role of these organisations.

It is also essential to ensure a more coherent implementation of relevant GIs regulations by the EU Member States, in particular the recently approved new spirit drinks Regulation.

Finally, there can be no quality policy if a producer cannot be assured that he will benefit from complying with the GI specification (benefits to be higher than the costs). This is a substantial part of any quality scheme policy and reflects the need to put in place effective measures to preserve both farmers' incomes and the image of our GIs. The EC should thus enable all GI producer groups to play a real role in creating and sharing value through a change in EU competition law.

### To this end we call on the Commission to:

- Clarify and strengthen the role and powers of GIs groups. GIs groups should have the possibility to implement specific programmes for coordinated activities within their value chains. Their role should in particular be reinforced with regard to supply regulation that should be extended to all PDO/PGI products and in the fight against unfair commercial practices;
- Explore, on a sectoral basis, the possibility to make the adhesion to GI groups mandatory for GI producers as a means to ensure that decisions taken by a group can be binding for all GI producers.
- Modify competition law to allow GI groups to adopt rules on the distribution of value between operators at the various stages of production, processing and marketing;
- Strengthen advice and support to value chains actors for GIs development as well as other cooperation activities. In this respect, control and legal costs should be covered (at least for small groups) and funds for promotional activities increased;
- Analyse the way GI producer groups are structured in different Member States to better understand the nature and prerogatives of PDO, PGI and GIs groups and ensure the best possible implementation.
- Entrust GI producer groups especially with providing specific trainings to producers and elaborating valorisation strategies encompassing also related activities, such as agritourism;
- Ensure that future CAP strategic plans provide the right support for GIs producer groups, in the context of rural development programmes but also sectorial programmes, including:
  - Significant financial aid for controls and promotion activities as GIs allows the preservation and development of rural areas and contribute to sustainable development.
  - Operating costs of producer groups.
  - Introduction of preliminary training and information session for potential producers: when a new producer group is going to start the application process to register a new GI, all the potential producers should be trained before the formal submission of a specification;



- Activities related to the surveillance of the enforcement of the protection of the registered names, especially for small and new PDO/PGI, concerning in particular support for legal protection costs;
- Coordinated and collective activities to strengthen the supply chain.

### **3. Simplifying GI procedures**

Today, the recognition and management of GIs entails significant administrative burdens for producer groups. While it is important to maintain a thorough procedure for the recognition of GIs, it seems appropriate to simplify the ones concerning the modification of existing products' specifications. Such procedures can be extremely long, and this is detrimental to GI producer groups and the economic actors they represent.

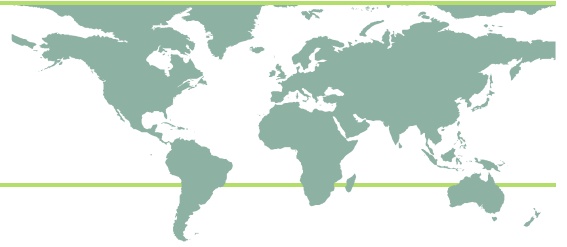
We believe that 2 recent problematic French GI cases could prompt a review of the GI regulation on registration and cancellation rules for GI. The first case is the cancellation request introduced by the group of producers PGI "Volaille de Loué". The procedure shows that, in practice, there is no possibility to oppose a cancellation request at the EU level. The second case concerns **several registration requests for PGIs** which are already protected under the name "Corse" as PDO. These requests have been tabled by producers of meat products from Corsica under the name "île de beauté". In French, "île de beauté" is a synonym for "Corse". The EU GI regulation establishes rules on the registration of homonymous names; it shall also include provisions when it comes to synonymous names.

oriGIn EU support the simplification of GI procedures and GI modification and not only for procedural changes which increase sustainable production.

The GIs sector would also benefit from instruments allowing the collection of market data. Only limited up-to-date figures for the sector are today available, at the European level as well as in third markets. This does not facilitate a global understanding of the sector and to assess the impact of implemented trade and promotion policies.

#### **To this end we call on the Commission to:**

- Implement as soon as possible the simplification provisions proposed by the EC in the framework of the new CAP concerning the amendments to product specifications, to ensure further simplification and harmonisation of EU Quality Policy;
- Table amendments to the GI regulations (a) to define the conditions under which the registration of a name that is wholly or partially synonymous with a name already entered in the register and conditions can be registered and (b) to review the conditions under which the annulation of a GI can be requested and harmonize the procedures, in particular, to allow for the opposition at the EU level;
- Ensure the preservation of the EU character of the GI system: while we are in favour of more subsidiarity, we believe that the system must remain truly European. To this end, clear guidelines for the competent national administrations which will be given additional responsibility in the management of GI systems, should be prepared by the Commission;
- Overcome the lack of harmonisation among MS by providing trainings to the national authorities involved in the process of GIs registration and publishing EC guidelines on the interpretation of GIs regulation concerning internal evaluation criteria for GIs registration and amendments;
- Periodically collect and publish consolidated data on the GIs sector. These data should include economic figures but also provide a good overview of the implementation of GI controls and systems in the Member States, solutions to improve them to ensure a high level of GI protection and a coherent implementation of the ex officio protection across Member States;



- Provide GI products with specific CN codes to facilitate the understanding of the trade flux for these products and, hence, allow for more efficient promotional campaigns to be implemented;
- Implement a faster approval procedure for all changes to GI specification.

#### **4. Increase consumer information and awareness**

The EU should reinforce the promotion of the GI concept towards consumers, in particular in the internal market, where it is to date not enough recognized by consumers (Special Eurobarometer 473). Some EU countries still lack proper information to consumers about the EU quality schemes. The reform of the promotion policy represents an opportunity to fill this gap and improve the recognition of PDO and PGI labels and benefits in the EU. This could be done through an increase of funding for programmes targeting national and the internal markets, but also thanks to own-initiative programmes launched by the EC with increased funding to have a real impact.

#### **To this end we call on the Commission to:**

- Improve consumer awareness of GI logos by maintaining a sizable budget covering promotion of EU quality schemes as GIs are a pillar for a transition toward a sustainable food system;
- Improve EU quality policy transparency and information for consumer, creating an online tool with easier access to readable information concerning product specifications and characteristics. The information contained in e-Ambrosia should be mainstreamed to increase the knowledge and awareness of consumers.

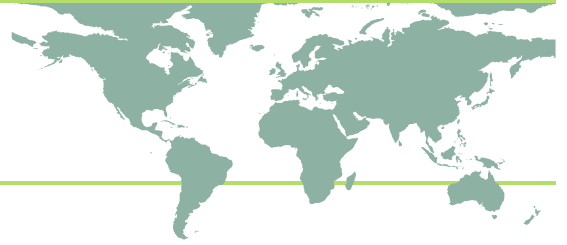
#### **5. Improving PDO/PGI protection**

GIs products are subject to misappropriations, resulting in significant economic losses for European producers. According to a EUIPO study (Infringement of protected geographical indications for wine, spirits, agricultural products and foodstuffs in the European Union - 2016), the negative impact of counterfeiting is very significant, accounting for 9% of the total market for GI products (an estimated loss of €4.3 billion). EU consumers are directly impacted with a damage of €2.3 billion per year.

Protecting GIs means guaranteeing consumers the authenticity of a product while protecting producers' hard work. The protection of GIs is a key element of EU policy and European legislation allows Member States to contribute in the fight against GIs' infringements. GIs' infringements include the direct use of protected names as well as the evocation of those. Such practices are likely to mislead the consumer as to the real origin and qualities of products they wish to purchase. This leads to market losses for GIs and can undermine their reputation.

While the European Commission has made some interesting proposals in the framework of the new CAP (strengthening protection for goods in transit and those sold through electronic commerce) it is important to go further. GIs groups must be able to better defend themselves against third parties who want to use, weaken and dilute the reputation of GIs products. It is also necessary to introduce stricter measures concerning the usurpation of GIs in Internet domain names, as well as when GIs are used as ingredients and with respect to counterfeit goods in transit in the EU. Concerning the concept of evocation, it is important that national courts apply in a harmonised way the EU regulations in accordance with the interpretation of the relevant rules given by the European Court of Justice in its decisions.

Likewise, the protection of GIs used as ingredients should be reinforced. The taste given by the GI ingredient to the final product should not be the unique determining factor to assess an infringement; the protection of the reputation of the registered GI name should rather prevail.



## To this end we call on the Commission to:

- Strengthen GI protection to cover more effectively attempts by third parties to abuse the GI reputation:
  - Registered names shall be protected against exploitation, but also against the weakening and dilution of their reputation.
- Review of the protection should be improved in particular with regard to the use of a GI as an ingredient, notably when GIs are incorporated in the compound product name. The EC should explore the possibility to harmonize the rules at the EU level because the current guideline of the use of GI as ingredients represent a light instrument

In addition, we understand that there are problems on the EU market relating to the use of GIs that are transformed into a compound ingredient which is then used in a final product (example of Parmigiano Reggiano which is powdered and used to flavour crisps).

- Tackle the issues arising from the use of geographical references included in a logo/semi-figurative/design mark on the labelling of GI products as it could undermine their protection and lead to consumers confusion;
- Speed-up the answer of official control authorities when GI groups ask them to have products that do not comply with the specifications and/or the labelling rules withdrawn as quickly as possible from the points of sale (whether it is a physical or digital point of sale);
- Strengthen protection to cover Internet domain names registrations: registered GI names shall be protected against any bad faith registration in second-level domain names, i.e. website names;
- Promote awareness campaigns to facilitate the understanding and harmonized implementation of the protection against GIs evocations, in accordance with the EU regulations and case law;
- Assure credibility of GI system and consumer trust improving enforcement and harmonise controls in Member States;
- Request Member States to regulate the relations between trademarks and geographical indications in order to extend the protection of the latter, defining within the national registration procedure the moment in which the registration of a trademark is refused on the grounds that the protected name or GI is being registered;
- Ensure a better protection of EU GIs in third country, and work on a better enforcement of international agreement signed by the European Union with third countries.