

**Committee of the Regions****ECOS-V-064****110th plenary session, 11-13 February 2015****OPINION****Extending geographical indication protection to non-agricultural products****THE EUROPEAN COMMITTEE OF THE REGIONS**

- maintains that Europe's regions are extremely rich in non-agricultural products based on traditional know-how (often kept alive by small companies and micro-enterprises) and that properly improving the status of these products and protecting them could help EU local and regional development, especially in economic and social terms, while also curbing the deplorable phenomena of counterfeit and imitation goods;
- agrees on the absolute necessity of making sure geographical indication (GI) protection standards are respected in the ambit of the agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), which apply to all members of the World Trade Organisation;
- believes creating a single EU system for non-agricultural GI protection is preferable to taking the route of harmonising national rules, since it would be fairer and guarantee the same timetables throughout the EU;
- proposes that those Member States in which a non-agricultural GI protection system already exists should have a brief period (up to 2020, for example) in which transitional arrangements apply and the two systems should co-exist before a definitive move to a single EU mechanism;
- thinks a registration procedure for non-agricultural GIs must be mandatory and should be based on a two-stage system (as is currently the case for agricultural GIs) that involves the regional level in verifying local specificities and the European level in verifying the shared EU criteria.

Rapporteur

Maria Luisa Coppola (IT/EPP), Regional councillor and minister, Veneto Region

Reference document

Green Paper – Making the most out of Europe's traditional know-how: a possible extension of geographical indication protection of the European Union to non-agricultural products  
COM(2014) 469 final

## **Opinion of the European Committee of the Regions – Extending geographical indication protection to non-agricultural products**

### **I. POLICY RECOMMENDATIONS**

#### THE EUROPEAN COMMITTEE OF THE REGIONS

1. welcomes the consultation process launched with the European Commission's Green Paper *Making the most out of Europe's traditional know-how: a possible extension of geographical indication protection of the European Union to non-agricultural products*, pointing out that Article 3 TEU recognises the preservation and development of Europe's cultural heritage as one of the goals to be taken on board when considering the development of the single market, while Article 118 TFEU seeks to guarantee uniform protection for intellectual property rights in the Union within the single market, and Article 169 TFEU guarantees protection of consumers (including promotion of their right to information);
2. acknowledges that part of preserving Europe's social and cultural heritage is to pay due respect to the artisanal and industrial know-how historically present in the EU's various regions and that proper information about artisanal and industrial products can help to make sure consumer rights are safeguarded;
3. maintains that Europe's regions are extremely rich in non-agricultural products based on traditional know-how (often kept alive by small companies and micro-enterprises) and that properly improving the status of these products and protecting them could help EU local and regional development, especially in economic and social terms, while also curbing the deplorable phenomena of counterfeit and imitation goods;
4. agrees on the absolute necessity of making sure geographical indication (GI) protection standards are respected in the ambit of the agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), which apply to all members of the World Trade Organisation;
5. calls on the European Commission to involve the CoR and consult it once responses to the consultation exercise have been analysed, given the Committee's central role as the institutional representative of local and regional authorities and since GIs are by their very nature regional and local.

*Making best use of geographical indications: potential benefits of extending EU GI protection to non-agricultural products*

6. stresses that the EU Court of Justice has confirmed that GIs constitute an intellectual property right<sup>1</sup> and that the GI protection system is an exclusive EU competence. Therefore considers

---

<sup>1</sup> See case C-3/91 – Turrón de Jijona (point 37) and case C-108/01 – Prosciutto di Parma (point 64).

it necessary to take action to harmonise in a single European regime the non-harmonised regimes that currently exist in some Member States<sup>2</sup>;

7. points out that due regard must be given to experience with existing GIs for agricultural products when discussing the possible extension of these indications to non-agricultural products;
8. believes that reinforced and harmonised GI protection for non-agricultural products could help to fortify the single market by yielding a number of both direct benefits (increased access to promotion funding and retention of jobs in economically fragile areas) and indirect ones (such as possible boost to tourism) already identified by the European Commission's Green Paper;
9. thinks that extending GI protection to non-agricultural products offers potential benefits to consumers, who would have a further aid to making informed purchases (despite the ample range of products on the market) by being able to better identify the authenticity, originality and quality of products;
10. stresses that a harmonised IG protection system for non-agricultural products would also have advantages for relations between the EU and third countries. Having a united position would strengthen the EU's hand in negotiating trade agreements and in action to protect its own products in foreign markets;
11. endorses the idea that GI protection for non-agricultural products could help to preserve the cultural and artistic heritage of Europe's local and regional traditions and proposes the possibility of including elements of corporate social responsibility in potential production standards in order to boost the capacity of these products to create social capital in areas of production.

*Possible forms of GI protection at EU level*

12. hopes that a regime for GI protection for non-agricultural products can be arrived at that is simpler than the current one for agricultural products, which, because protection has been successively extended, now comprises a large number of GI categories that sometimes risk confusing the consumer;
13. would like GI labels for non-agricultural products to be simple, easily recognisable and written in the language of their origin and/or in English;

---

<sup>2</sup>

Belgium (only Wallonia), Bulgaria, Croatia, Estonia, France, Germany, Latvia, Poland, Portugal, the Czech Republic, Romania, Slovakia, Slovenia, Spain (only Murcia region) and Hungary.

14. thinks that, as has already happened in the case of agricultural GIs, a new system should enable protection of non-geographical names unequivocally associated with a particular locality while observing the exemptions to protection already provided for in the TRIPS agreement;
15. points out that a cross-sectoral approach to GI protection would be far preferable to a sectoral one, since a set of rules common to all product categories would unquestionably be simpler to manage for businesses and national, regional and local authorities;
16. stresses that in the case of non-agricultural GIs it would be expedient to provide for two (but no more than two) distinct levels of link with the territory corresponding to the current distinction for agricultural GIs between Protected Designation of Origin (PDO) (stronger ties) and Protected Geographical Indication (PGI) (weaker ties);
17. would like to see production standards (essential for registration of a GI) include information about the raw materials used, a description of the production process, evidence of the product's link with the territory and any corporate social responsibility elements (confirming a commitment to the territory);
18. notes that the criteria producers will have to meet to obtain GI status will not prevent possible innovations to the product or efficiency improvements in the production process;
19. points out that one of the aims of GIs is to serve as a guarantee of quality for consumers, which means that, while it is not possible to lay down a universal quality parameter, there should be monitoring to ensure production standards are being respected throughout the period of protection. This monitoring could be carried out by regional public bodies (or public-private partnerships such as some chambers of commerce).

#### *Strengthening protection*

20. believes creating a single EU system for non-agricultural GI protection is preferable to taking the route of harmonising national rules, since it would be fairer and guarantee the same timetables throughout the EU;
21. proposes that those Member States in which a non-agricultural GI protection system already exists should have a brief period (up to 2020, for example) in which transitional arrangements apply and the two systems should co-exist before a definitive move to a single EU mechanism;
22. thinks a registration procedure for non-agricultural GIs must be mandatory and should be based on a two-stage system (as is currently the case for agricultural GIs) that involves the regional level in verifying local specificities and the European level in verifying the shared EU criteria;

23. notes that the process for registering GIs should have fixed time limits guaranteed by law so that sluggish public administrations do not hold up the process to the detriment of producers;
24. maintains that producers, their associations and chambers of commerce should be the main entities authorised to apply for registration of a GI for non-agricultural products, but that it is reasonable also to provide in specific, well founded cases it could also be a single producer, a local or regional authority or a consumers' association. The same entities eligible to request registration should also have the right to oppose it;
25. stresses that, given the current focus on public spending, it could be possible to request a contribution from producers wishing to acquire GI status, as long as this were a one-off payment, fair in relation to the costs incurred and applied on the same terms throughout the EU.

*Scope of protection*

26. hopes that the degree of protection afforded non-agricultural GIs can be the same as that provided for in Article 23 of the TRIPS agreement for wines and spirits, since this would protect producers' rights sufficiently forcefully;
27. proposes that the system to monitor respect for GI-related rights for non-agricultural products be public or a combination of public and private, but that in either case the competence of local and regional authorities is used, given their direct contact with the territory;
28. is aware that if a GI system for non-agricultural products proves a success, this could somewhat heighten the risk of counterfeiting or imitation by rival producers. This is why safeguard procedures should be put in place that can swiftly spot and eliminate counterfeit products or imitations;
29. thinks there should be no time limit on non-agricultural GI protection, but it should be possible to withdraw the protection under the same conditions operating for GIs of agricultural products;
30. thinks that potential conflicts between non-agricultural GIs and trademarks should be regulated in the same way as they are for agricultural GIs;

31. stresses, finally, that because of its particular responsibility for guiding regional and local policy, the opinion of the CoR should further reinforce and develop the recommendation to create a system of GI protection for non-agricultural products in the EU and asks, therefore, that the European Commission go ahead and present a legislative proposal to this end.

Brussels, 12 February 2015

The President  
of the European Committee of the Regions

Markku Markkula

The Secretary-General  
of the European Committee of the Regions

Jiří Buriánek

## II. PROCEDURE

<b>Title</b>	Extending geographical indication protection to non-agricultural products
<b>Reference</b>	Green Paper – Making the most out of Europe's traditional know-how: a possible extension of geographical indication protection of the European Union to non-agricultural products COM(2014) 469 final
<b>Legal basis</b>	Article 307(4) TFEU
<b>Procedural basis</b>	Own-initiative opinions Rule 41b) i
<b>Date of referral by the Council/Date of the European Commission's letter</b>	N/A
<b>Date of Bureau/President's decision</b>	N/A
<b>Commission responsible</b>	Commission for Economic and Social Policy (ECOS)
<b>Rapporteur</b>	Rapporteur: Maria Luisa Coppola (IT/EPP) Regional councillor and minister, Veneto Region
<b>Analysis</b>	15 October 2014
<b>Discussed in commission</b>	17 December 2014
<b>Date adopted by commission</b>	17 December 2014
<b>Result of the vote in commission</b>	Unanimous
<b>Date adopted in plenary</b>	12 February 2015
<b>Previous Committee opinions</b>	n/a
<b>Date of subsidiarity monitoring consultation</b>	n/a