



**European Committee
of the Regions**

ECON-VII/025

151st plenary session, 10-12 October 2022

OPINION

Commission for Economic Policy

Protecting Industrial and Craft Geographical Indications in the European Union (revised)

THE COMMITTEE OF THE REGIONS

- welcomes the European Commission's proposal, which responds to the demands from European local and regional authorities;
- underlines the importance, in specific and justified cases, that a request to register a GI be granted to a regional or local authority;
- points out that many of these authorities already support sectors, in both the structuring and development phase of ICGIs and in implementing and promoting them;
- welcomes the fact that this proposal builds on the experience of GIs in agricultural and agri-food matters and that a harmonised approach between the different schemes is favoured;
- stresses that the European Union should ensure the same level of protection regardless of the nature of the GI;
- notes the inclusion of a direct registration procedure and calls for equal treatment in all procedures, whether or not they include a step for national registration;
- highlights the need to implement credible controls and is therefore concerned about the control procedure based on self-declaration as proposed by the European Commission;
- highlights the importance it attaches to the issue of innovation and research, which should not be hampered by product specifications or by an overly restrictive interpretation of the terms "tradition" and "traditional";
- emphasises the importance of ensuring that costs, in particular those related to appeals, such as the appeal fee, are non-discriminatory, so that every GI-holder can access them;
- recommends that the EUIPO's powers to verify geographical indications be clearly set out in a legal act.

Rapporteur

Martine Pinville (FR/PES)

Member of the Regional Council of Nouvelle-Aquitaine

Reference document

Proposal for a Regulation of the European Parliament and of the Council on geographical indication protection for craft and industrial products and amending Regulations (EU) 2017/1001 and (EU) 2019/1753 of the European Parliament and of the Council and Council Decision (EU) 2019/1754 COM(2022) 174 final

Opinion of the European Committee of the Regions — Protecting industrial and craft geographical indications in the European Union (revised)

I. RECOMMENDATIONS FOR AMENDMENTS

**Proposal for a Regulation of the European Parliament and of the Council on geographical indication protection for craft and industrial products and amending Regulations (EU) 2017/1001 and (EU) 2019/1753 of the European Parliament and of the Council and Council Decision (EU) 2019/1754
COM(2022) 174 final
2022/0115 (COD)**

Amendment 1

Article 2 (new)

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
	<p align="center"><i>Objectives</i></p> <p><i>This title provides for a unitary and exclusive system of geographical indications, protecting the names of craft and industrial products whose quality, reputation or other characteristics are linked to their geographical origin, thereby guaranteeing the following:</i></p> <p><i>a) producers acting collectively should have the necessary powers and responsibilities to manage their geographical indication, in order to meet society's demands for authentic products with heritage value and created through sustainable production in its three dimensions consisting of economic, environmental and social value, and to operate in the market;</i></p> <p><i>b) fair competition for producers in the marketing chain;</i></p> <p><i>c) consumers should receive reliable information and a guarantee of authenticity for such products and should be able to easily identify them in the marketplace including in e-commerce;</i></p> <p><i>d) the simple and effective registration of geographical indications, ensuring the appropriate protection of intellectual property rights; and</i></p> <p><i>e) effective enforcement and marketing throughout the Union and in e-commerce, ensuring the integrity of the internal market;</i></p> <p><i>f) local economic development, which</i></p>

	<i>guarantees the protection of know-how and of a common heritage.</i>
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Reason
Adding this article ensures a parallel approach with the regulation for agricultural geographical indications (GIs) and emphasises that this is not simply an intellectual property tool, but is really a tool for public policy.

Amendment 2

Article 3

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
Definitions	Definitions <i>(New, first point)</i> <i>A "geographical indication" for a craft or industrial product is a name that identifies a product: i) that originates in a specific place, region or country; (ii) whose given quality, reputation or other characteristic is essentially attributable to its geographical origin; and (iii) for which at least one of the production steps takes place in the defined geographical area.</i>

Reason
It is essential that a definition of industrial and craft geographical indications (IGIA) be provided and included in this article (to ensure a parallel approach with that for agricultural GIs).

Amendment 3

Article 5

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
Article 5 Requirements for a geographical indication <i>For the name of a craft and industrial product to qualify for "geographical indication" protection, the product shall comply with the following requirements:</i> <i>(a) the product originates in a specific place, region or country;</i> <i>(b) its given quality, reputation or other characteristic is essentially attributable to its geographical origin; and (c) at least one of the production steps of the product takes place in the defined geographical area.</i>	

Reason
Follows on from the amendment to Article 3

Amendment 4
Article 6

Text proposed by the European Commission	CoR amendment
Applicant	Applicant
<p>1. Applications for the registration of geographical indications shall only be submitted by a producer group of a product ('applicant producer group'), the name of which is proposed for registration. Regional or local public entities may help in the preparation of the application and in the related procedure.</p> <p>2. An authority designated by a Member State may be deemed to be an applicant producer group for the purposes of this Title, if it is not feasible for the producers concerned to form a group by reason of their number, geographical location or organisational characteristics. Where such representation takes place, the application referred to in Article 11(3) shall state these reasons for such representation.</p> <p>3) A single producer may be deemed to be an applicant producer group for the purposes of this Title, where both of the following conditions are fulfilled:</p> <p>(a) the person concerned is the only producer willing to submit an application for the registration of a geographical indication;</p> <p>(b) the geographical area concerned is defined by natural features without reference to property boundaries and has characteristics which differ appreciably from those of neighbouring areas or the characteristics of the product are different from those produced in neighbouring areas.</p>	<p>1. Applications for the registration of geographical indications may be submitted by a producer group ("applicant producer group"), the name of which is proposed for registration. Regional or local public entities may help in the preparation of the application and in the related procedure.</p> <p>2. An authority designated by a Member State, in particular a regional or local authority, may be deemed to be an applicant producer group for the purposes of this Title, if it is not feasible for the producers concerned to form a group by reason of their number, geographical location or organisational characteristics. Where such representation takes place, the application referred to in Article 11(3) shall state these reasons for such representation.</p> <p>3) A sole producer may be deemed to be an applicant producer group for the purposes of this Title, where both of the following conditions are fulfilled:</p> <p>(a) the person concerned is the only producer willing to submit an application for the registration of a geographical indication;</p> <p>(b) access to the GI remains open to any new producer/manufacturer complying with the GI product specification.</p>

Reason

The applicant for a GI is not necessarily a group of producers; there should be more flexibility, and local and regional authorities, which already carry out this role in certain countries, should be allowed to be considered as applicants. Furthermore, the term "single" producer should be replaced by "sole producer": in geographical terms, there is no such thing as a "single" producer.

Amendment 5

Article 7

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
<p style="text-align: center;">Product specification</p> <p>1. Craft and industrial products the names of which are registered as a geographical indication shall comply with a product specification, which shall include at least:</p> <p>(a) the name to be protected as geographical indication which may be <i>either</i> a geographical name of the place of production of a specific product, <i>or</i> a name used in trade or in common language to describe the specific product in the defined geographical area;</p> <p>(b) a description of the product, including, if appropriate, the raw materials;</p> <p>(c) the specification of the defined geographical area creating the link referred to in point (g);</p> <p>(d) evidence that the product originates in the defined geographical area specified in Article 5, point (c);</p> <p>(e) a description of the method of producing or obtaining the product and, where appropriate, the traditional methods and specific practices used;</p> <p>(f) information concerning packaging, if the applicant producer group so determines and gives sufficient product-specific justification as to why the packaging must take place in the defined geographical area to safeguard quality, to ensure the origin or to ensure control, taking into account Union law, in particular that on the free movement of goods and the free movement of services;</p> <p>(g) details establishing the link between a given quality, the reputation or other characteristic of the product and the geographical origin as referred to in Article 5, point (b);</p>	<p style="text-align: center;">Product specification</p> <p>1. Craft and industrial products the names of which are registered as a geographical indication shall comply with a product specification, which shall include at least <i>the following objective and non-discriminatory elements</i>:</p> <p>(a) the name to be protected as geographical indication which may be a geographical name of the place of production of a specific product, <i>and</i> a name used in trade or in common language to describe the specific product in the defined geographical area;</p> <p>(b) <i>the type of product(s) covered by the name</i>;</p> <p>(c) a description of the product, including, if appropriate, the raw materials;</p> <p>(d) the specification of the defined geographical area creating the link referred to in point (g);</p> <p>(e) evidence that the product originates in the defined geographical area specified in Article 5, point (c);</p> <p>(f) a description of the method of producing or obtaining the product and, where appropriate, the traditional methods and specific practices used;</p> <p>(g) information concerning packaging, if the applicant producer group so determines and gives sufficient product-specific justification as to why the packaging must take place in the defined geographical area to safeguard quality, to ensure the origin or to ensure control, taking into account Union law, in particular that on the free movement of goods and the free movement of services;</p> <p>(h) details establishing the link between a given quality, the reputation or other characteristic of</p>

<p>(h) any specific labelling rule for the product in question;</p> <p>(i) other applicable requirements where provided for by Member States or by a producer group, if applicable, having regard to the fact that such requirements must be objective, non-discriminatory and compatible with Union law.</p>	<p>the product and the geographical origin as referred to in Article 5, point (b);</p> <p>(i) any specific labelling rule for the product in question;</p> <p>(j) <i>the competent product inspection authority;</i></p> <p>(k) other applicable requirements where provided for by Member States or by a producer group, if applicable, having regard to the fact that such requirements must be objective, non-discriminatory and compatible with Union law.</p>
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Reason
<ul style="list-style-type: none"> - Recognition of a new name with no link to the local heritage or to the practices of local stakeholders should be avoided: a GI is a piece of intangible heritage, whose validity can be assessed by the practices surrounding it and the uses made of it. - The product specification should be more detailed and should clarify the definition of the product covered, as is done for agricultural GIs: the "product type" criterion forms part of this definition by specifying the product family, such as: pottery, porcelain, natural stone, etc.

Amendment 6

Article 8

Text proposed by the European Commission	CoR amendment
Single document	Single document
<p>1. The single document shall comprise:</p> <p>(a) the following main points of the product specification:</p> <p>i) the name;</p> <p>(ii) a description of the product, including, where appropriate, specific rules concerning packaging and labelling;</p> <p>(iii) a concise definition of the geographical area.</p>	<p>1. The single document shall comprise:</p> <p>(a) the following main points of the product specification:</p> <p>i) the name;</p> <p>ii) <i>the product type;</i></p> <p>iii) a description of the product, including, where appropriate, specific rules concerning packaging and labelling <i>and the main stages of the production process;</i></p> <p>iv) a concise definition of the geographical area;</p>

Reason
<p>The single document is a summary of the product specification and is the document on which the EUIPO will base its evaluation of GI applications. As such, the essential and relevant information required for the evaluation of the application at EU level must be included: the product type and the product's manufacturing process are essential to a proper understanding of the GI application and to assessing its eligibility in terms of the set criteria.</p>

Amendment 7

Article 22

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
<p style="text-align: center;">Admissibility and grounds for opposition</p> <p>2. Upon opposition, the name for which there has been an application for registration shall not be registered, if:</p> <p>(a) the proposed geographical indication does not comply with the requirements for protection laid down in this Regulation;</p> <p>(b) the registration of the proposed geographical indication would be contrary to Articles 37, 38 or 39;</p> <p>(c) the registration of the proposed geographical indication would jeopardise the existence of, an entirely, or partly identical name or of a trade mark, or the existence of products which have been legally on the market for at least 5 years preceding the date of the publication provided for in Article 18(3).</p>	<p style="text-align: center;">Admissibility and grounds for opposition</p> <p>2. Upon opposition, the name for which there has been an application for registration shall not be registered, if:</p> <p>(a) the proposed geographical indication does not comply with the requirements for protection laid down in this Regulation;</p> <p>(b) the registration of the proposed geographical indication would be contrary to Articles 35, 37, 38 or 39;</p> <p>(c) the registration of the proposed geographical indication would jeopardise the existence of, an entirely, or partly identical name or of a trade mark, or the existence of products which have been legally on the market for at least 5 years preceding the date of the publication provided for in Article 18(3).</p>

<i>Reason</i>
<p>Adding the reference to Article 35 makes it possible, in the event of opposition, to apply all the legal bases used to protect GIs, to strengthen protection of the already recognised GI and to prevent the lodging of competing/illegitimate GIs.</p>

Amendment 8

Article 23

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
<p style="text-align: center;">Transitional period for the use of geographical indications</p> <p>2. <i>The Office may decide to extend the transitional period granted under paragraph (1) up to 15 years, or to allow continued use for up to 15 years, provided it is additionally shown that:(...)</i></p> <p>5. To overcome temporary difficulties with the long-term objective of ensuring that all producers of a product designated under a geographical indication in the area concerned</p>	<p style="text-align: center;">Transitional period for the use of geographical indications</p> <p>5. To overcome temporary difficulties with the long-term objective of ensuring that all producers of a product designated under a geographical indication in the area concerned comply with the related product specification, a Member State may grant a transitional period for compliance, of up to five years, with effect from the date on which the application is lodged with the Office, provided that the operators concerned have legally marketed the products in</p>

comply with the related product specification, a Member State may grant a transitional period for compliance, of up to 10 years, with effect from the date on which the application is lodged with the Office, provided that the operators concerned have legally marketed the products in question, using the names concerned continuously for at least 5 years preceding the lodging of the application to the authorities of that Member State and have referred to that fact in the national opposition procedure referred to in Article 13.	question, using the names concerned continuously for at least 5 years preceding the lodging of the application to the authorities of that Member State and have referred to that fact in the national opposition procedure referred to in Article 13.
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Reason
Transitional periods should be limited in order not to weaken the protection of GIs or to legitimise existing unlawful commercial uses.

Amendment 9

Article 26.3

Text proposed by the European Commission	CoR amendment
The Union register of geographical indications for craft and industrial products (...) 3. Upon the entry into force of a decision registering a protected geographical indication, the Office shall record the following data in the Union register of geographical indications for craft and industrial products: (a) the registered name of the product; (b) the class of the product; (c) the reference to the instrument registering the name; (d) indication of the country or countries of origin.	The Union register of geographical indications for craft and industrial products (...) 3. Upon entry into force of a decision registering a protected geographical indication, the Office shall record the following data in the Union register of geographical indications for craft and industrial products: (a) the registered protected geographical indication of the product; (b) the type of product; (c) the beneficiaries of the protected geographical indication ; (d) the reference to the instrument registering the name; (e) indication of the country or countries of origin.

Reason
Clarification

Amendment 10

Article 29.1

Text proposed by the European Commission	CoR amendment
Cancellation of the registration 1. The Office	Cancellation of the registration 1. The Office may,

may, own its own initiative or on a duly substantiated request by a Member State, a third country or any natural or legal person having a legitimate interest, decide to cancel the registration of a geographical indication in the following cases: (a) where compliance with the requirements for the product specification can no longer be ensured; (b) where no product has been placed on the market under the geographical indication for at least a consecutive period of 7 years.	own its own initiative or on a duly substantiated request by a Member State, a third country or any natural or legal person having a legitimate interest, decide to cancel the registration of a geographical indication in the following cases: (a) where compliance with the requirements for the product specification can no longer be ensured; (b) where no product has been placed on the market under the geographical indication for at least a consecutive period of 10 years.
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Reason
The deadline of seven years appears to be somewhat random. In view of the potential difficulties in terms of supply chains and of being able to dispose of stocks, a more generous deadline for phasing-out could be granted.

Amendment 11

Article 33

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
Geographical Indications Advisory Board	Geographical Indications Advisory Board
5. The Advisory Board shall be composed of one representative of each Member State and one representative of the Commission and their respective alternates.	5. The Advisory Board shall be composed of one representative of each Member State, and one representative of the Commission <i>and an independent expert recognised with regard to the type of product(s) concerned, including representatives of regional or local authorities, where appropriate,</i> and their respective alternates.

Reason
The composition of the Advisory Board should remain flexible and allow for the appointment of independent experts with potentially relevant expertise to support the EUIPO in its assessment of applications.

Amendment 12

Article 44

<i>Text proposed by the European Commission</i>	<i>CoR amendment</i>
Union symbol, indication, abbreviation	Union symbol, indication, abbreviation
2. In the case of craft and industrial products originating in the Union that are marketed under	2. In the case of craft and industrial products originating in the Union that are marketed under

a geographical indication, the Union symbol referred to in paragraph 1 <i>may</i> appear on the labelling and advertising material. The geographical indication shall be in the same field of vision as the Union symbol.	a geographical indication, the Union symbol referred to in paragraph 1 <i>shall</i> appear on the labelling, advertising material or communication materials . The geographical indication shall be in the same field of vision as the Union symbol.
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Reason
The mandatory use of a European logo is essential to ensure that consumers or customers can recognise or identify these products. As labelling is not suitable for all industrial and craft geographical indications, it would be more relevant to refer to "communication materials".

Amendment 13
Article 50.2b)

Text proposed by the European Commission	CoR amendment
(b) the delegated product certification body: (i) is to have the expertise, equipment and infrastructure required to perform the official control tasks delegated to it ; (ii) is to have a sufficient number of suitably qualified and experienced staff; (iii) is to be impartial and free from any conflict of interest and in particular is not to be in a situation which may, directly or indirectly, affect the impartiality of its professional conduct as regards the performance of those official control tasks delegated to it ; and (iv) is to have sufficient powers to perform the official control tasks delegated to it ; and (c) where the official control tasks are delegated to natural persons, those natural persons: (i) are to have the expertise, equipment and infrastructure required to perform those official control tasks delegated to them; (ii) are to be suitably qualified and experienced; (iii) are to act impartially and are to be free from any conflict of interest as regards the exercise of those official control tasks delegated to them; and	(b) the delegated product certification body or the natural person : (i) is to have the expertise, equipment and infrastructure required to perform the official control tasks delegated to them , including for company accounting ; (ii) is to have a sufficient number of suitably qualified and experienced staff; (iii) is to be impartial and free from any conflict of interest and in particular is not to be in a situation which may, directly or indirectly, affect the impartiality of their professional conduct as regards the performance of those official control tasks delegated to them ; and (iv) is to have sufficient powers to perform the official control tasks delegated to them ;

Reason
There should be no differentiation in the requirements for bodies or individuals to whom official control tasks have been delegated

II. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS,

1. welcomes the European Commission's proposal, which responds to considerable demand from European local and regional authorities. For local and regional authorities, an industrial and craft geographical indication (ICGI) helps protect heritage, maintain added value and jobs in a region and strengthen its identity;
2. notes that, in its opinion of October 2021, the European Committee of the Regions called for the establishment of a *sui generis* system for the protection of ICGIs so that the European Union would have a comprehensive legal framework for GIs, ensuring the same level of protection regardless of the nature of the GI;
3. welcomes the fact that this proposal builds on the experience of GIs in agricultural and agri-food matters and that a harmonised approach between the different schemes is favoured;
4. reiterates its request that, in order to ensure consistency between the two schemes, a solid mechanism for coordination between the relevant European Commission and EUIPO services be put in place;
5. recommends that the EUIPO's powers to verify geographical indications be clearly set out in a legal act so as to enable the EUIPO to build up, in due course, the expertise needed to assess applications and their eligibility in the light of the required criteria;
6. emphasises the need to set up a common register of geographical indications to facilitate access to information for consumers, producers, States and local and regional authorities;
7. nevertheless draws the attention of the co-legislators to the specific nature and diversity of the products and ecosystems concerned by this proposal compared to agricultural products, and calls for vigilance to ensure that this is taken into account consistently, throughout the proposal;
8. notes that the proposed definition of "craft products" does not reflect practices in some Member States and therefore calls on the European Union to adopt a definition that covers existing manufacturing processes in the EU, whether these be entirely manual, mechanical or mixed;
9. highlights the importance it attaches to the issue of innovation and research, which should not be hampered by product specifications or by an overly restrictive interpretation of the terms "tradition" and "traditional";
10. underlines the importance, in specific and justified cases, that a request to register a GI be granted to a regional or local authority;
11. points out that many of these authorities already support sectors, in both the structuring and development phase of ICGIs and in implementing and promoting them;

12. notes the inclusion of a direct registration procedure and calls for equal treatment in all procedures, whether or not they include a step for national registration;
13. highlights the need to implement credible controls to ensure manufacturers' compliance with product specifications and consumer safety and confidence, and reiterates that external checks should be favoured in order to guarantee reliable and independent monitoring at an acceptable cost;
14. is therefore concerned about the control procedure based on self-declaration as proposed by the European Commission, which does not offer sufficient guarantees in terms of controls and could lead to abuses that could potentially harm the scheme's credibility;
15. stresses the benefit of opting for an approach similar to the successful GIs for agriculture and agri-food in order to harmonise the schemes;
16. reiterates the need for a time-limited registration procedure and recommends in particular that the maximum duration of the decision on the national and European application be specified;
17. emphasises the importance of ensuring that costs, in particular those related to appeals, such as the appeal fee, are non-discriminatory, so that every GI-holder can access them.
18. underscores the need to propose, at European level, measures to support certification, the organisation of professionals and the awareness-raising and promotion of ICGIs. Such support measures will encourage the take-up of the scheme in the EU, thus making it possible to safeguard and develop non-relocatable economic activity in the regions;
19. shares the Commission's view that this proposal complies with the subsidiarity principle. Indeed, the proposal aims to create a well-functioning internal market for ICGIs, the protection of which the EU and its Member States are jointly responsible. Member States alone cannot achieve this aim, due to a multitude of divergent rules, which have been developed at the national level and are not mutually recognised. Maintaining purely national approaches would result in legal uncertainty for producers, prevent market transparency for consumers, affect trade within the EU and pave the way for unequal competition in the marketing of GI-protected products. The Commission's proposal therefore represents real European added value.

Brussels, 11 October 2022

The President
of the European Committee of the Regions

Vasco Alves Cordeiro

The Secretary-General
of the European Committee of the Regions

Petr Blížkovský

III. PROCEDURE

Title	Protecting industrial and craft geographical indications in the European Union (revised)
Reference(s)	COM(2022) 174 final.
Legal basis	Article 307(1) TFEU (optional)
Procedural basis	Own-initiative opinion (Rule 41(a) of the RoP)
Date of Council/EP referral/Date of Commission letter	13 April 2022
Date of Bureau/President's decision	29 April 2022
Commission responsible	Commission for Economic Policy (ECON)
Rapporteur	Martine Pinville (FR/PES)
Analysis	25 May 2022
Discussed in commission	8 July 2022
Date adopted by commission	8 July 2022
Result of the vote in commission	Unanimous
Date adopted in plenary	11 October 2022
Previous Committee opinions	ECON-VII-016 COR-2021-02689-00-00 Protecting Industrial and Craft Geographical Indications in the European Union
Date of subsidiarity monitoring consultation	