



OPINION

European Economic and Social Committee

Revision of the EU geographical indications (GIs) systems

**Proposal for a Regulation of the European Parliament and of the Council on
European Union geographical indications for wine, spirit drinks and agricultural
products, and quality schemes for agricultural products, amending Regulations (EU)
No 1308/2013, (EU) 2017/1001 and (EU) 2019/787 and repealing Regulation (EU) No
1151/2012**

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Section responsible	Section for Agriculture, Rural Development and the Environment
Adopted in section	30/06/2022
Adopted at plenary	13/07/2022
Plenary session No	571
Outcome of vote (for/against/abstentions)	203/0/1

1. Conclusions and recommendations

- 1.1 The EESC welcomes the Commission's initiative to put forward a proposal for a new regulation that would strengthen the current system for geographical indications (GIs) for agricultural products, spirit drinks and wines. The contribution of GIs to the development of rural areas and the preservation of their community, landscape and cultural heritage is essential and deserves the best and most efficient system possible. This work linked to specific regions, their "savoir-faire", terroir, and culture existed well before an EU legal basis was created for it. It is essential to preserve this system and guarantee the highest protection possible for it.
- 1.2 The EESC would like to underline that GIs are already a well-functioning system that has already gone through a recent revision (2021), with the adoption of the revision of Regulation (EU) 1308/2013 on the Common Organisation of the Markets in agricultural products (CMO)¹. The EESC calls on the European Parliament and the Council to take this into account and to carefully assess and design any modification proposed by the new revision to ensure it genuinely strengthens the system.
- 1.3 The EESC believes that GIs constitute a very particular system that is much more than an intellectual property right and should not be managed as a trademark. For this reason, the EESC calls on the EU institutions to carefully evaluate the need and added value of delegating GI management tasks from DG AGRI to an external agency before taking any decision. It would also be important to assess whether the designated agency possesses the expertise and necessary knowledge to manage the delegated tasks proficiently. DG AGRI should remain the main actor in charge of GI management, while DG GROW should ensure recognition and protection of that system at international level through trade agreements and awareness-raising.
- 1.4 The EESC considers that any delegation of competences should be strictly detailed in the main body of the regulation and should be limited to administrative tasks. Any decision regarding the application, amendments, cancellation or opposition of GIs should remain strictly in the hands of DG AGRI. In addition, the proposal should clarify that GI registration and any other procedure related to GI management should remain strictly free of charge, regardless of which organisation is conducting the process.
- 1.5 The EESC welcomes the possibility of including undertakings on sustainability for GIs. However, it encourages the co-legislators to consult GIs' producers to evaluate whether to include those undertakings on sustainability directly in the GIs' specifications or in an ad hoc manner.
- 1.6 The EESC believes that criteria for the recognition of undertakings on sustainability should be directly included in the regulation and not through delegated acts to be adopted at a later stage, in order to provide legal certainty for producer groups willing to adopt such undertakings.
- 1.7 It is of the utmost importance to strengthen and empower producer groups as much as possible. Consequently, the EESC welcomes the suggestion of providing those groups with powers regarding the use of GIs as ingredients and their protection on the Internet. However, producer

¹ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2021.435.01.0262.01.ENG.

groups should also be provided with additional means outside the budget of the common agricultural policy to exercise those powers.

- 1.8 Regarding the internal management and composition of producer groups, the EESC calls on the co-legislators to consult GI producer organisations to evaluate this aspect of the proposal. It also calls on them to ensure that small GI producers are not disadvantaged in comparison to large producers within those groups.
- 1.9 The protection of GIs in general is of the utmost importance. In that respect, protection against evocation is also essential and the EESC welcomes any features that could reinforce this protection. However, the EESC is concerned that the inclusion of a detailed definition of evocation could be counterproductive, as it would not be adapted to this practice, which evolves over time. The EESC recommends deleting the definition and instead relying on the European Court of Justice's case law.
- 1.10 To ensure that consumers buying GI products are fully informed, the EESC recommends using a QR code providing a link to the GI-related information on the eAmbrosia register, as well as the producer website and its producer certificate.
- 1.11 Consumer awareness is essential for the success of GIs. The EESC calls for GIs to be strongly supported by the EU policy to promote agricultural products and for GI producers to benefit from marketing support and expertise provided by the Commission or the Member States. We also believe that the award of additional points in procurement processes for products certified as GIs should be promoted by the Member States. In addition, the EESC recommends that the proposal establish awareness-raising campaigns for the GI system, sending out messages of public interest on public national and EU TV channels.
- 1.12 Lastly, the EESC calls on the co-legislators to include in the regulation measures to promote the GI system among producers and provide them with the expertise and administrative support they need to register their products, along with any other type of assistance needed, especially in regions underrepresented in the GI scheme.

2. Introduction

- 2.1 Geographical indications (GIs) are a tool making it possible to identify products whose qualities, renown and other intrinsic properties are linked to human and natural elements attached to a specific region. Since 1970 for wine and 1992 for agricultural products and foodstuffs, GIs have been officially recognised and enshrined in EU law².
- 2.2 This EU policy has been a true success, increasing producers' revenue by creating added value for their products (on average, the price of a GI product is 2.11 times the price of a comparable non-GI product), but also boosting the development of the regions and rural communities to which they are attached. GIs have also played an important role in preserving some specific agricultural

² <https://ec.europa.eu/info/food-farming-fisheries/food-safety-and-quality/certification/quality-labels/geographical-indications-register/>.

techniques, plant varieties and ancient animal breeds. They now represent 7% of EU total agri-food sales and 15.5% of its total exports³.

- 2.3 GIs are by nature closely linked to specific regions and their rural communities. Through this privileged connection and their economic added value, GIs do not only contribute to the economic development of those regions and communities, but also contribute to preserving and even strengthening their cultural heritage and identity.
- 2.4 The unbreakable link between a GI and its region also represents a great tool for preventing delocalisation and for preserving jobs in European rural areas.
- 2.5 Due to their very particular form of management through producer groups attached to specific regions, which offers primary producers a degree of control over their distribution, GIs have also demonstrated that they create an upstream value that benefits primary producers.
- 2.6 This anchoring in a region, its people and land is at the heart of GIs and differentiates them from brands that are attached to companies.
- 2.7 In the context of the establishment of the new Common Agricultural Policy finally adopted in 2021 (CAP) and more specifically the revision of the CMO Regulation, several amendments have been made to the GIs system to alleviate the administrative burden for producers and strengthen their control over the GIs they produce while preserving the high level of quality associated with those products. Those modifications have been perceived as extremely positive by the sector.
- 2.8 In the context of its Farm to Fork Strategy, the Commission decided to proceed with a new revision of the GIs system to further improve it and enhance its contribution to sustainability. On 31 March 2022, the European Commission published the Proposal for a Regulation on geographical indications for wine, spirit drinks and agricultural products and quality schemes amending Regulations (EU) 1308/2013, (EU) 2017/1001, and (EU) 2019/787 and repealing Regulation (EU) 1151/2012⁴. The announced objectives of the proposal are to further streamline the system, improve GIs protection and controls, empower producer groups and better integrate sustainability.

3. **General comments**

- 3.1 The EESC welcomes the Commission's objectives and believes that it has accurately identified the elements to modify in order to further improve this already well operating system, such as: the simplification and harmonisation of some procedures, the possibility to include voluntary sustainability undertakings in GI production, the empowerment of producer groups through additional rights, the strengthening of GI protection on the Internet or the better enforcement of controls.

³ <https://op.europa.eu/en/publication-detail/-/publication/c1d86ba1-7b09-11eb-9ac9-01aa75ed71a1/language-en>.

⁴ https://ec.europa.eu/info/sites/default/files/food-farming-fisheries/food_safety_and_quality/documents/regulation-gi-wine-spirit-quality-schemes-agr-products_en.pdf

- 3.2 Although this proposal supports valid objectives and has accurately identified the elements requiring some adjustments to achieve them, the EESC expresses some concerns regarding some of the proposed modifications for those elements.
- 3.3 The EESC would also like to underline that the GI system is already operating well and has already been improved by the 2021 revision of the CMO. It is thus essential that this new revision be carefully designed to strengthen the system and the recent revision. The EESC believes that EU institutions should be careful to avoid any precipitative action that could result in a revision that contradicts its objectives, thereby weakening this successful policy.
- 3.4 To ensure that this new revision truly strengthens the GI system, the EESC believes that it is of the utmost importance to involve GI producers as much as possible in the process and to listen to their expertise, needs and wishes.

4. **Specific comments**

- 4.1 The simplification of the GI registration procedure, aimed at increasing the attractiveness of this scheme to producers, must not result in the loss of the system's credibility for consumers. GIs' success has been built on their image of quality and authenticity for consumers. We must be careful not to compromise those elements when simplifying the registration procedure.
- 4.2 The proposal merges all procedures for registration, amendments, cancellation and protection of GIs for agricultural products, wines and spirits. With regard to controls, it merges procedures for agricultural products and spirit drinks, while wine GIs keep their own rules. The EESC welcomes this streamlining of procedures but would like to underline the need not to go further in order to preserve the particularities of each sector.
- 4.3 The EESC welcomes the introduction of the possibility of choosing between lodging an opposition or just a "statement of objection" in the three months following the publication by the Commission of a product's application. This "statement of objection", which is a comment/remark on the product's application but which does not oppose its registration, will probably alleviate the administrative burden linked with the management of oppositions.
- 4.4 GIs constitute a unique type of intellectual property right extremely different from trademarks due to their intrinsic link to a specific region, its culture, rural communities, landscape and history of agricultural practices. Considering those specificities, we question the Commission proposal to transfer some elements of GI management to the European Union Intellectual Property Office (EUIPO) or any other agency that does not have the technical agricultural knowledge and deep understanding of GIs' nature that only DG AGRI possesses. In this regard, the need for any delegation of tasks should be demonstrated, as well as the capacity of the agency designated to conduct such tasks. In addition, considering the importance of the link between GIs and agriculture, as well as any political sensitivities relating to their management, the EESC considers that any decision regarding registrations, opposition procedures or amendments should remain strictly in the hands of DG AGRI.

- 4.5 The delegation of tasks to the EUIPO as described in the proposal is vague. Considering the risks associated with the delegation of tasks for the management of GIs to a body with no particular agricultural knowledge, the EESC believes that any delegation should be precisely detailed and circumscribed directly in the regulation and not through delegated acts.
- 4.6 The monitoring of the performances of the EUIPO regarding GI management as laid down in the proposal do not seem sufficient to ensure the proper management of GIs. To ensure the appropriate monitoring, precise evaluation criteria should be laid down directly in the proposal. The EESC also considers that the European Parliament and the Council should be entitled to reattribute the delegated tasks back to DG AGRI in the event that the monitoring reveals shortcomings in the EUIPO's management of tasks.
- 4.7 Considering the importance of GIs in EU trade, DG GROW should include recognition and protection of EU GIs in all trade agreements and promote them at international level.
- 4.8 The proposal introduces the possibility for GI producer groups to integrate sustainability undertakings in GIs requirements. In this regard, the EESC would like to underline that, due to their intrinsic nature rooted within their proximity to a region, its rural community and landscape, GIs already include sustainability elements. In this respect, the EESC appreciates the proposal's desire to keep the inclusion of additional sustainability undertakings for GIs voluntary. Nevertheless, the possibility for producers to make their products more sustainable certainly represents a good opportunity to further enhance GIs' contribution to sustainability.
- 4.9 Sustainability is composed of three different pillars: environmental, economic, and social. It is essential to ensure that undertakings on sustainability for GIs reflect each of those three pillars, as GIs can contribute not only to environmental sustainability, but also to economic and social sustainability, due to the employment and added value they create in rural areas.
- 4.10 The proposal suggests integrating undertakings on sustainability directly into the specifications of a GI. This would mean that including or modifying those undertakings on sustainability would be quite complicated and time consuming, as it would require going through the GI amendment procedure. It would also mean that all producers of such GI would have to follow those undertakings on sustainability and could thus not differentiate between themselves on the market based on the sustainability of their products. Market differentiation between producers of the same GI often becomes an issue for large GIs. For these reasons, the EESC considers that the EU institutions should consult GI producers to assess whether the undertakings on sustainability should be directly embedded in a GI's specification or if it would be more appropriate to include them in an ad hoc scheme.
- 4.11 The EESC considers that the possibility of adopting delegated acts laying down criteria for the recognition of existing sustainability standards at a later stage places producers in a situation of uncertainty that could discourage them from adopting undertakings on sustainability for GIs.
- 4.12 The role of GIs producer groups, which have to manage and develop their own geographical indications in order to protect the product, their image and consumers, must not be weakened, but strengthened.

- 4.13 The involvement of public officials and consumer organisations into the internal functioning of producer groups as laid down in the proposal might further complicate the work of those groups.
- 4.14 Considering that the GIs system should remain a mean of protecting farmers, the recognition of producer groups as proposed in Article 33(2) should only be based on the proportion of producers represented and not the proportion of the quantity of the GI produced by the producer groups. If this is not the case, then EU institutions should include in the proposal tools that would make it possible to prevent cases of a minority of large producers of a GI from blocking decisions that are supported by a large majority of producers of that same GI.
- 4.15 The reason for the creation of a division between two different types of producer groups put forward in the proposal is not extremely clear. The EESC wonders if it might not further complicate the management of GIs rather than improve it.
- 4.16 The proposal defines "producer group" as "any association, irrespective of its legal form, mainly composed of producers or processors of the same product". This definition does not include producers of raw materials. Considering the essential role played by producers of raw materials in Protected Designations of Origin (PDOs), it might be appropriate to request their inclusion in the "recognised producer groups" for PDOs.
- 4.17 The EESC welcomes the Commission proposal to provide producer groups with some control over the use of a GI used as an ingredient in a product in the food name and marketing of the related processed product. This would strengthen the ability of producer groups to control the high-quality image of their product.
- 4.18 GIs, due to their added value, are particularly subject to fraud practices. The EESC considers it essential to strengthen their protection and improve controls. The proposal includes some interesting elements regarding this aspect such as: the improved collaboration and exchange of information and mutual assistance between Member States as well as with the Commission, the establishment of a certification for GIs producers, or the possibility of revoking or transferring a domain name. Some other proposals more specific to protection of GIs on the internet seem to be lacking ambition or the required tools to enforce such protection. The EESC underlines that producers should be given the right to defend their products, but in no case should they be considered responsible for doing so. The responsibility of protecting GIs should continue to lie with the Commission and the Member States, who should make all the necessary efforts to secure this protection.
- 4.19 The EESC considers extremely important to protect GIs against the fraudulent practice of evocation. This protection was already included in the legislation regulating the GIs system. The proposal adds a definition of evocation. The Committee believes that providing a very precise definition of evocation risks weakening the protection against such practices as they evolve over time. The EESC recommends deleting the definition and instead relying on the European Court of Justice's case law.

- 4.20 There are now more than 3 300 registered GIs. However, around 80% of those GIs are located in only six EU Member States⁵. This clearly illustrates the under-representation of many EU Member States within the GI system. Furthermore, there is a risk that this gap will widen as Member States with many GIs acquire expertise in their practical and administrative management that can benefit new producers looking to register their products, while producers in other Member States feel ill-equipped to undertake the registration of their products. The EESC regrets that the proposal does not provide measures to facilitate and support the registration of GIs for newcomers and promote this system to them.
- 4.21 The Commission evaluation published in 2021 underlines the fact that GIs still suffer from a lack of consumer awareness in some countries⁶. In this respect, marketing and promotion campaigns are essential, as demonstrated by the impact of the EU promotion campaigns for GIs. The EESC considers that the revision of the system should include tools to support promoting and raising awareness of GIs.
- 4.22 The proposal introduces the creation of certificates for producers complying with GI specifications. The EESC considers that, if carefully designed and well managed, such certificates could ease trade, while maintaining a high level of protection against fraud. A QR code on GI products could also provide direct access to this certificate.

5. **Final remark**

- 5.1 The GI system has been an extremely successful EU policy which has made it possible to preserve unique "know how" and cultural heritage while increasing producers' income and reviving rural areas. As stated in the Commission evaluation published in 2021⁷, this policy is relatively efficient, while the amendments introduced by the new CMO Regulation further strengthened the policy. The new revision as laid down in the Commission proposal suggests some additional modifications that could potentially further increase the policy's efficiency. Nevertheless, other modifications proposed require some clarification, while others such as the involvement of EUIPO probably risk complicating procedures or weakening the intrinsic nature of the GIs system that has been at the heart of its success. DG AGRI should remain the main actor in charge of GI management, while DG GROW should ensure recognition and protection of that system at international level through trade agreements and awareness-raising.

Brussels, 13 July 2022

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The president of the European Economic and Social Committee

⁵ <https://op.europa.eu/en/publication-detail/-/publication/c1d86ba1-7b09-11eb-9ac9-01aa75ed71a1/language-en>.

⁶ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=SWD:2021:427:FIN>.

⁷ [ibidem](#).