





Governance, Common Market Organisation and Geographical Indications in the new CAP post 2020

On the 17th of October 2019, the EU networks AREFLH, AREPO and AGRIREGIONS joined forces to organize a conference on the topic "Governance, Common Market Organisation and Geographical Indications in the future CAP post 2020". This multi-stakeholder event, which gathered over 100 participants ranging from EU and regional policymakers to representatives of professional organizations and civil society, was the opportunity to discuss the current state of play of the CAP reform and further debate the proposed amendments to the Fruit and Vegetable CMO and Quality Schemes, as well as the role of European regions as managing authorities in the future CAP.

In their opening remarks, the Presidents of AREFLH, AREPO and AGRIREGIONS took the floor to welcome the participants and briefly introduced their networks and their organisation's views on the ongoing CAP reform.

Olivier Allain, Agriregions Coordinator and Vice President of the Brittany Region in charge of agriculture, focused its intervention on the role of agriculture in the fight against climate change and in preserving the rural environment, while granting access to food to all Europeans. He insisted on the importance of accelerating the transition towards more sustainable farming systems which combine environmental practices, economic performance and collective dynamism at the local level, following the agroecology logic. Regions, through the management of rural development measures, play a key role in ensuring and accompanying this transition at local level. For this reason, the possibility for regions to be Managing Authorities for the second pillar should be maintained in the future CAP post-2020 in a logic of decentralisation of the policy.

Simona Caselli, President of AREFLH, focused on the positive achievements of the Fruit and Vegetables Common Market Organisation (CMO), a cost-effective scheme that has allowed to concentrate supply through Producer Organisations (PO) and provide European consumers with healthy, safe, sustainable and affordable products. She also reminded the audience about the strong contribution of F&V to the environment, mainly consisting in mandatory environmental expenses foreseen in POs operational programmes, implemented through several actions such as integrated production management techniques, organic production and other sustainable production methods that contribute to the reduction in the use of water, energy, plant protection products and other inputs. In order to achieve the ambitious objectives set by the new CAP post 2020, the F&V scheme must be maintained and reinforced

Eirini Choudetsanaki, President of AREPO, insisted on the priority of a fair support to Geographical Indications and quality products in the next Common Agricultural Policy. Faced with climate change and pressure on natural resources, as well as political and economic uncertainty, quality and origin products can address citizens' concerns over food security and quality, they can contribute to the development of rural areas and the diversification of their economy, and they can ensure the transition to a more sustainable agriculture. For these reasons, through the common strategy developed with Origin, AREPO has called for better protection and promotion of Geographical Indications in the CAP and for greater support through rural development.

Roundtable 1: The role of European Regions in the new CAP

The first roundtable provided the opportunity to center the debate around the role of regions in the management of the CAP, with a focus on the agroenvironnemental ambition of the future CAP post-2020. In its introduction, the moderator **Olivier Allain**, Agriregions coordinator and Vice President of the Brittany Region in charge of agriculture recalled the public that Regional Managing authorities of the EAFRD already successfully support farmers in different forms such as indirect income support (investments etc...) or direct support for the agroecological transition. It is precisely this capacity of EU regions to adapt global challenges and respond to regional specificity that enhances the effectiveness of the CAP today.

For **Friedlinde Gurr-Hirsch**, Secretary of State in the Minister of Rural Affairs and Consumer Protection of Baden Württemberg, this is a crucial issue for the future CAP. Regions have to be able to answer to the demands of the citizens and of the farmers at regional level, as it is also a question of democracy and acceptability of the policy. For Ms. Gurr-Hirsch it is also important for administrative reasons that Regions maintain the management of the second pillar as they can adapt management procedures to the need of farmers at local level, thus improving the coconstruction of measures.







On the same line, **Arnold Shuler**, Provincial Counsellor in charge of Agriculture for the Autonomous Province of Bolzano - South Tyrol , precised that it is of course important that the CAP maintains a strong basis of commun objectives and rules. However, flexibility is needed to adapt at local level, especially when it comes to agroenvironmental and climate measure since every region has different adaptation or mitigation problems when it comes to climate change and different farming structures and systems. This is the case for example for South-Tyrol, where more than 25% of parcels that cannot be included in the first pillar because they are too small and this is precisely why the Province emphasizes the need of stronger second pillar.

Asked by the moderator to provide his vision of the main challenges for the future PAC and how regions can contribute in addressing them, **Herbert Dorfmann** MEP stated that the main challenges for the future CAP are: food security, generation renewal and environment and climate protection. When it comes to food security, even though the first pillar remains key, Mr. Dorfmann also stressed the importance of the second pillar to a adapt the policy to regional productions' needs; On generation renewal, there is a clear need to improve the conditions of farmers across Europe and, once again, the second pillar is key for the maintenance of viable rural areas; The environmental aspect is also very relevant: there is a need to work with the farmers, because we have to operate in a reasonable way, but at European and local level. For Mr. Dorfmann, on this point, the proposal on the table does not answer to these question because it leaves the responsibility to the 27 EU capitals. On the contrary, the EU level is important to have a Common policy, and the regional level is important to adapt it to local needs through the second pillar. "Regions should keep a direct link with the Commission", he argued.

Finally, **Kari Valonen**, SCA spokesperson of the Finnish Presidency, was asked to provide an update on the work of the Council, with a focus on the environmental ambition and the governance. Members States are very much focused on the Strategic Plans regulation and there are a lot of debates concerning the green architecture of the future CAP. There is a need to encourage farmers to take up new and more sustainables practices, but agriculture is not the problem, he said, the main problems are fossil fuels, soil health... and the future CAP must deal with these issues that are related to agriculture and contribute to the Green Deal. On this point, he also stressed the importance of rural development measures, which can be adapted to regional needs and these measures, because of their territorial relevance, have proven to be most effective to ensure the agro environmental transition so far.

Roundtable 2: The Fruit and Vegetable CMO in the current CAP reform

The second session granted the opportunity to discuss the current challenges faced by the fruit and vegetable sector. The moderator **Simona Caselli**, Regional Minister for Agriculture of the Emilia-Romagna region and President of AREFLH, reflected on the success of the F&V CMO, a scheme that has produced the best results in the CAP framework and therefore must be strengthened. In this regard, and considering the highly environmental ambitions of the new Von der Leyen Commission, Producer Organisations must be given the right mix of support and tools to face the crucial challenges posed by climate change, market and phytosanitary crisis or the decline in the consumption of fruit and vegetables.

Asked to share her views on how Producer Organisation and the F&V scheme can be further reinforced, **Clara Aguilera MEP** (S&D) recalled that the F&V CMO has proven to be a successful and cost-effective tool that needs to be further consolidated through a better concentration of the supply, a crucial step if we wish to strengthen the position of farmers in the food supply chain. In the new CAP proposal there are no major changes for the F&V CMO, which has been further consolidated with the adoption the Omnibus regulation. "We must however keep in mind that in the current state of play, the F&V scheme does not have the tools to face major crisis, hence the need to rethink risks and crisis prevention/management tools".

Questioned on how Producer Organisations can make the most out of the currently available risk management and prevention tools under the F&V CMO scheme, **Jean-Louis Moulon**, President of AREFLH's College of Producers, recalled that the F&V scheme accounts for only 3% of the overall CAP budget while accounting for around 18% of the total agricultural output. In order to tackle market-related issues on a global scale, along with health, social and climate challenges, a further investment in terms of budget dedicated to the CMO should be taken into consideration. **Luc Vanoirbeek**, President of the F&V working group of Copa Cogeca, focused on the threats posed by climate change and phytosanitary emergencies, emphasizing that the CMO is indeed a remarkable tool but cannot be considered to be as the solution for all problems: the F&V sector still requires a







broader support from other CAP mechanisms. A part of the solution to these issues lies within international collaboration: we must look beyond our borders and share innovation experiences and best practices in different countries.

Finally, the chair also queried the speakers on the crucial need to address trade and R&D policies in the F&V sector: **Maria Teresa Cháfer Nácher**, Director-General for Agriculture of the Valencia Region, stressed the need to review the current European trade policy to ensure that EU farmers are able to compete on a level playing field with producers from third countries. "It is of key importance to recover our natural market, which is the European market. We have to better connect the producer with the consumer, in order for them to be able to distinguish and recognize European productions and improve their consumption". Ms Nacher also advocated for more funds dedicated to research and innovation in the F&V sector: research and innovation policies and advice on adapting to climate change are crucial for EU producers. With strong climatic events being more and more recurrent, we need faster responses in terms of R&I and policy-making.

In her concluding remarks, Simona Caselli stated that "The F&V CMO has repeatedly proved itself as an incredibly successful tool that needs to be preserved and bolstered in the future CAP. There is however a pressing need to reinforce its crisis prevention and management tools in order to better face the challenges posed by climate change and phytosanitary emergencies".

Roundtable 3: The new CAP approach on Geographical Indications

The third and last session focused on the place of Geographical Indications (GIs) in the future CAP framework. Claude Vermot-Desroches, President of OriGIn moderated the round table, which brought together Jérémy Decerle MEP (Renew Europe), co-shadow rapporteur on the Amending Regulation, Begoña García Bernal, Regional Minister for Agriculture and Rural Development of Extremadura, Jean-Pierre Raynaud, Vice-President of Nouvelle-Aquitaine Region in charge of Agriculture, and Marco Remaschi, Regional Minister for Agriculture of Toscana Region.

The moderator set forth AREPO and OriGIn common demands under the new CAP as well as the main results achieved in the objective of assuring the right support to GI under rural development and strengthening their protection in quality regulation. This common strategy has been based on a shared vision for the territory: good life standards in rural areas can be achieved through supporting agricultural production of protected products that respect animal welfare and traditional know-how, as well as all actors involved in contributing to their added value.

As concerns the simplification of EU quality schemes, AREPO and OriGIn considered themselves satisfied by the results of their common strategy, nevertheless the moderator laid stress on few points that still need to be monitored, namely a better protection against any abuse of reputation for PDOs and PGIs.

Jérémy Decerle, questioned on the role of GIs and quality products in the future CAP, recalled that the newly elected European Parliament had decided to resume the work of the previous legislature, discussing again which points of the three regulations voted in April should be reopened. As regards the CMO regulation, he emphasised the need to proceed in a balanced and pragmatic manner not to lose the positive results achieved so far, yet focusing on those aspects that still need to be strengthened. The European Union should restore its agriculture to a central role and the European Institutions have the responsibility for delivering on this commitment. Specifically, GIs can contribute to this process as examples of structuring the supply chain, which can also benefit and adapt to other sectors of EU agriculture, and of returning added value through exports. Furthermore, GIs can become a useful tool for attracting young people to rural areas, offering the opportunity to preserve and hand on traditional productions, thus responding to EU demographic crisis and supporting generational transition.

On these bases, Decerle drew attention to some essential points the previous AGRI Committee has worked on and which must continue to be protected:

1. **the maintenance of the human factor** and therefore the adequate recognition of skills of PDO and PGI producers, which helps to retain the population in rural areas;







- 2. **the maintenance of the proof of origin**, i.e. an element of traceability that demonstrates the link with the specific production area and that recognises the GIs as depositories of an identity to be protected;
- 3. control of the land;
- 4. better protection for GIs.

Speakers, prompted by the moderator, stressed the importance of Geographical Indications for their regions and producers, in terms of economic and rural development and competitiveness. In addition, they recalled the essential role of the **human factor** and the **link with the territory** that help to preserve cultural traditions in places that would otherwise have seen depopulation and disappearance of agricultural land and production.

Regional Minister for Agriculture and Rural Development of Extremadura, Begoña García Bernal, presented the exemple of Torta del Casar PDO to discuss two major problems that PDOs and PGIs from Extremadura face and that could be alleviated under the new CAP.

On one hand, high quality and internationally recognised products face years-long registration processes, such as new PDOs and PGIs. During this period, in which the quality label is not established yet, though the so-called Transitional National Protection is in force, they do not receive any type of financial aid from the EU for their protection. Therefore, the new CAP should incorporate financial incentives for those PDOs and PGIs under Transitional National Protection.

On the other hand, high costs are required for the verification of PDO and PGI specifications, mainly for official controls (costs of accreditation of the regulatory council, costs of analyses in accredited laboratories, etc.), which makes it necessary to provide for **support for these certification costs**.

Ms García Bernal also reminded the importance of improving the protection of quality schemes against the abuse of their reputation and the support for those farmers who participate for the first time in these schemes, as well as for entities that deals with their information and promotion. Finally, she concluded her intervention recalling the relevance of collective organization behind PDO/PGI: groups of producers guarantee legal protection and ensure the effectiveness of these quality schemes; therefore, these groups must be included among the beneficiaries of the "Cooperation" measure.

Mr Raynaud focused on the value of the agri-food sector for Nouvelle-Aquitaine Region, especially thanks to quality labels, whose role helps in structuring this sector in the south of France. Since Nouvelle-Aquitaine recognizes the added value of its PDO/PGI products, it started drawing up plans for enhancing their promotion and communication as well as it committed in supporting candidates who want to apply for a DO but don't have the necessary means to go through the whole process. For a Region centred on GIs, many other policy measures are linked to them: this is why the Region has also worked on biodiversity and on a roadmap (2010) to fight climate change and prevent its consequences, including in its activities professional organizations.

Quality schemes create a link between men, products and territories. Rural areas can benefit from them and can be very attractive if supported by the necessary means and political measures.

Agricultural minister of Toscana, Marco Remaschi agreed with this view. He discussed the importance of representing rural areas and the actors who live and work there. Throughout the years, Toscana has invested in **multifunctional agriculture**, aware that farmers cannot earn a decent wage from cultivation alone. In this framework, PDOs, PGIs and GIs are essential because they include and preserve a specific know-how and a part of our territory. Consumers can discover these territories through these products. Human factor is the added value of these productions, with producers being promoter of their geographical areas but also guardians of biodiversity. As a consequence, governments have to help producers, particularly small ones, supporting the specificity of their productions and facing new market challenges.

The third roundtable ended with the closing acknowledgements of the moderator, who praised the results achieved by the combination of AREPO and OriGIn expertise, hoping for this collaboration to continue.

The conference was followed by a networking cocktail.

ABOUT US:







The Assembly of European Horticultural Regions (AREFLH) is a European association representing 20 EU regions and 25 Associations of Producer Organisations across 7 European countries. Its main missions are: to defend the economic and social interests of the fruit, vegetable and horticultural sectors in Europe; to foster exchanges of best practices, partnerships and joint projects between regions and professional organisations; to actively seek new solutions for the main issues affecting the future of the fruit and vegetable production in Europe.

The Association of European Regions for Products of Origin (AREPO) brings together 34 regions from 9 EU Member States and more than 700 associations of producers of Geographical Indications from these regions, equivalent to more than 50% of European GIs. AREPO aims to promote and defend the interests of producers and consumers in European regions committed to promoting quality agri-food products.

The Coalition of European AgriRegions is the voice of European regions mobilised to defend a strong Common Agricultural Policy and the role of European Regions in its management and implementation. The Coalition brings together 14 European agricultural regions from 6 different Member States, representing more than 15% of the EU population and 18% of the European Utilised Agricultural Area.