

Activity Report of AREPO

September 2011 - October 2012

Main achievements:

- Approval of the Regulation on quality schemes applicable to agricultural products and foodstuffs by the European Parliament (EP): many of the amendments proposed and defended by AREPO are included in the new regulation, such as the recognition of mountain products and a better ex-officio protection, both on the domestic market and at the WTO level.
- Presentation of all the amendments to the CAP proposed by AREPO by the MEPs of the COMAGRI.
- Two new observers: Bavaria and Istria
- Improved relations with the EP: participation of MEP Iratxe Garcia Perez to the GA held in March in Brussels, invitation to present AREPO's positions in front of the parliamentary intergroup on quality
- Enhanced cooperation with the European Commission (EC): participation in the Consultative Group on Quality, to the restrained Consultative Group on local products and participation in the creation of a transnational TSG.
- Cooperation with partner and friend organizations: participation in a European tender with NECSTouR, participation in the General Assembly of AREV, the creation of a working group on olive oil together with AREFLH.
- Creation of a new website, which will improve the communication of the Association.

A) EVOLUTION OF EUROPEAN POLICIES OF INTEREST FOR AREPO

REGULATION ON AGRICULTURAL AND FOOD PRODUCTS QUALITY SCHEMES:

The Regulation on quality systems applicable to agricultural products and foodstuffs has been approved by the European Parliament on 13th September 2012. Once approved by the Council of Agriculture Ministers it will be published in the official journal.

The approved text is a compromise reached after several months of trilogues. Here are the main elements of the reform:

- The three existing schemes are retained: PDO, PGI, TSG
 - the PDO and PGI recognitions are not merged
 - Definition of "stages of production" as production, processing and preparation (the 3 phases of the old regulation).
 - PGI: At least one phase of production takes place in the geographical area of reference
 - The TSG system is maintained, improved and made more effective
 - Names must be reserved,
 - the notion of "traditional" refers to 30 years instead of 25,
 - Terms of widespread use cannot be reserved, but the mention "produced in accordance with the tradition of the region X" can be included
 - Transition period of 10 years for products currently under TSG (in order to reserve the name)
- Lack of recognition of the system by consumers
 - The use of European logos on the PDO, PGI and TSG products will be made mandatory as of 2016
 - Possibility to include graphic signs that identify the region of origin on the product
- Better protection of products:
 - ex-officio protection (MS must define competent authority to intervene in the case of fraud)
 - Terms are protected even when used as ingredients

- TSG extended to unprocessed products (ex. salt)
- The possibility of financing the defence of logos in third countries is introduced
- the system for the protection of GIs is more and more in line with WTO rules: The name of the product is protected, rather than the product itself (closer to TRIPS)
- scope extended to leather and fur
- Faster recognition process (from 12 to 6 months):
 - shorter time for the opposition procedure (submission of the intention to oppose in a first moment and of the necessary documentation in a second moment)
- Role of Consortia:
 - Better recognition, better defined roles
 - They can monitor the market and report fraud and usurpation of the registered name
 - They can take any action to improve the added value of the product
 - They can monitor the position of the product on the market (provided it does not lead to anti-competitive practices)
- Optional quality Terms:
 - Terms are horizontal (non-sectoral) and relevant Europe-wide
 - Introduction of the term 'mountain product' -> EC will adopt guidelines
 - within 12 months from the publication, the EC is required to provide reports on insular agricultural products and local products/direct sales
- A request to define the methods for recognition of GIs and transnational TSG is introduced
- The possibility to manage production volumes has not been retained
 - Proposed in the draft report on the CMO by MEP Dantin
 - the proposal is similar to the one included in the contents of the "Milk Package"

AREPO's Position: the 3 priorities of AREPO for the Quality Package were: a better ex-officio protection, the recognition of mountain products and the possibility for consortia to manage production volumes. Many of the proposals and claims of the Association have found the right place in the reform. AREPO will follow closely the issue of the management of production volumes in the reform of the CMO as well as the execution regulations.

Lobbying activities over the last 12 months:

- Monitoring of the trilogues at the European level through contacts with MEPs and parliamentary assistants.
- Participation in the Consultative Group on Quality of the DG Agri (EC)
- Presentation of the Association's priorities during the meetings of the Intergroup on quality of the EP
- Bilateral meetings with the rapporteur and her assistant
- Bilateral meetings with other MEPs interested in the topic
- Sending of a letter to the coordinators of the political groups in the EP on the occasion of the vote in plenary session originally planned in February
- Participation of the rapporteur to AREPO's GA in March 2012
- Sending of a letter to the MEPs of the COMAGRI in view of the meeting with the representatives of the Member States (MS) in March 2012
- Sending of a letter to the representatives of the 27 MS regarding the reform of quality systems and in particular the management of production volumes.

CAP REFORM

AREPO drafted its amendment proposals already in October 2011. These proposals have been validated with a few changes by the General Assembly in March 2012. The Technical Committee has reviewed these amendments in the light of the reports of the European Parliament. The amendments were sent to the members of the Commission for Agriculture of the European Parliament, as well as the offices of the member regions in

Brussels in order for them to disseminate it among the MEPs with whom they have closest contacts. Cf. section on the quality package (Production volumes management - CMO) and on the promotion policy (promotion in EAFRD).

While awaiting the development of compromise amendments within the COMAGRI, AREPO is pleased to find all of its proposals among the more than 6,600 amendments tabled by the members of the commission in charge and is currently developing a strategy to defend its positions during the negotiation of compromises.

Lobbying activities over the last 12 months:

- Participation in conferences organized by regions and other relevant stakeholders (ex. meeting convened by the Spanish regions concerning the Commission's legislative proposals, the meeting organised by the representation office of Hessen, the presentation of the analysis of Opera on greening, the meetings organized by the Barilla Center for Food and Nutrition, EP hearings, the meeting held at the representation of Bavaria, the meeting of the Copa-Cogeca)
- Meeting of the Technical Commission of AREPO in Brussels for the analysis of texts and the preparation of amendments
- Submission of amendments to the CAP to the relevant rapporteurs
- Participation in the consultative meeting of the Committee of the Regions (CoR) on the legislative proposals by the EC on the CAP
- Submission of amendments to the rapporteur Souchon (opinion of the CoR) on the legislative proposals by the EC on the CAP
- Participation of President Rabboni to the event organized by Qualivita on the CAP reform Monitoring of the work of the COMAGRI
- Organizing of an event on the new promotion policy for agricultural products in partnership with Qualivita
- Organizing of a second meeting of the Technical Commission to evaluate the reports by the COMAGRI and see which amendments to present one more time
- Submission of amendments to the MEPs of the COMAGRI
- Bilateral meetings with regions not belonging to the Association in order to find items of common interest to jointly defend
- Participation in the URC (Italian Representation and Liaison Offices) meeting on the reform of the CAP
- Participation in the meeting organized by the office of MEP Scottà to consider the presentation of common amendments by Italian regions.
- Participation in the Conference of DG Agri (EC) on the CAP and the positions of the civil society
- Bilateral meetings with MEPs (ex. Michel Dantin, José Bové, Sylvie Goulard) and their assistants (Scottà, Lulling, Dorfmann, Garcia-Perez, Herranz-Garcia, De Castro, etc.).
- Participation in the final meeting of the Good Food March
- Development of a document comparing the amendments tabled by AREPO and those presented by the MEPs of the COMAGRI.

LOCAL PRODUCTS / PRODUCT OF MY FARM

The Commissioner Ciolos wishes to create a system of recognition for local products. He is in favour of the creation of the term "product of my farm." AREPO participates in the restrained working group set up by DG AGRI in order to investigate the issues raised by this proposal: proximity, short chains, direct sales? Logo (or not)? Certification (or not)? After the meeting of the technical commission, the working group met again on July 5. The next meeting is scheduled for October. The Commission has 12 months from the entry into force of the

Regulation on quality systems for agricultural products to submit a report on these issues.

AREPO's Position: AREPO is not particularly in favour of the creation of a system for the identification of direct sales, which is not particularly useful. AREPO would be more in favor of a work on short chains and territorial proximity. In any case, AREPO opposes the creation of a new logo without the corresponding certification. However, certification costs are high. AREPO would rather opt for the introduction of an optional quality term controlled by the competent authorities of the Member States (usually anti-fraud services).

Lobbying activities over the last 12 months:

- Participation in the restrained Consultative Group on the "product of my farm"
Bilateral meetings with DG Agri (EC)
- Participation in the conference organized by Commissioner Ciolos on local products and direct sales

PROMOTION POLICY

Following the consultation on promotion policies, the European Commission has presented the summary of the contributions of the stakeholders. The future direction of the promotion policy remains unclear, in particular as regards quality products. The MEP José Bové presented his draft report. In it he points out to the need to change the orientation of the promotion policy to fit the current reality and the priorities identified in agriculture in the proposals for the CAP, the EIP and the Regulation on Quality Systems. According to the MEP Bové products to be promoted are quality products (§ 8: PDO, PGI, TSG and organic) and the products that produce less CO2 emissions and protect biodiversity are best suited to maintain the quality of soil and water resources (Reasons , § 2). The Rapporteur also hopes to create a system of local marketing products and short chains. The European Commission is expected to present its legislative proposals in late 2012 and early 2013.

AREPO's Position: AREPO has responded to the consultation by the European Commission on the promotion of agricultural products. The Association wants the CAP to grant at least the same level of aid of measure 133 of the current EAFRD, but with administrative improvements. While waiting for more specific orientations, AREPO wishes promotion measures to be maintained in the draft report on the EAFRD 2013-2020. The MEP Capoulas-Santos has reintroduced promotion in its draft report for the 2013-2020 EAFRD, but only under article 17 and it relates only to producers on an individual basis (on the model of the measure 132 of the current EAFRD). AREPO subsequently wrote to the rapporteur to remind him that usually consortia are in charge to develop more effective promotion actions. This amendment, although not being taken into account by the rapporteur, was presented by other members of the COMAGRI.

Lobbying activities over the last 12 months:

- Response to Green Paper by EC
- Sending of the amendments to the rapporteur on the EAFRD
- Participation in and co-organizing of the Qualivita event on the promotion of agricultural products
- Bilateral meeting with the parliamentary assistant of Mr José Bové
- Sending the amendments to José Bové

MOUNTAIN PRODUCTS:

The recognition of mountain products would fit within the optional quality terms currently in the process of approval by the Parliament and the Council of Agriculture Ministers.

Currently an impact assessment is being carried out by the Commission at the Joint Research Centre (JRC) in Seville. The University of Perth (Highlands, Scotland) is part of the research institutions involved in this study. In the draft regulation on quality schemes for agricultural products, as approved by the European Parliament, there is a proposal for an art. 28 defining the optional quality term "mountain product".

Lobbying activities over the last 12 months:

- The University of Perth and the JRC in Seville have consulted regions belonging to AREPO about the relationship between geographical indications (PGI - PDO) and mountain products.
- Meeting with the officer of the JRC in Seville in charge for this dossier

PLANTING RIGHTS

The AREV (Assembly of European Wine Regions) works to maintain planting rights, meant to disappear. The question is open on two fronts, that of the Commission and the Council. At the level of the Council, the votes of countries such as Belgium, Poland and Sweden are missing in order to obtain a qualified majority in favor of the reconsideration of planting rights. At the level of the Commission, under the pressure of the producing countries, the Commissioner Ciolos convened a high-level group to assess the impact of planting rights and of their possible elimination. The AREV has been invited to present the study by professor Montaigne, in favour of the maintenance planting rights, in front of the High Level Group in late September. Since the AREV feels that this study was not taken into account by the Commission, it intends to launch a mobilization at the European level, whose details will be decided in Brussels on 7 November.

AREPO's Position: the AREPO attended the General Assembly of AREV in Turin, the presentation of the study by prof. Montaigne in Brussels and the meeting convened by the MEPs Lulling and Dantin together with the AREV at the EP on planting rights. The Association supports AREV's position in favour of the maintenance of a tool for the management of production volumes. This tool should not disappear without being replaced by one effective management tool able to avoid serious market imbalances. The screw as olive growing is a production that covers millions of hectares and is essential to the economy and planning of traditional wine-growing regions.

Lobbying activities over the last 12 months:

- Participation in the presentation of the study by prof. Montaigne in Brussels
- Participation in the meeting convened by the MEPs Lulling and Dantin together with the AREV at the EP on planting rights
- Participation in AREV's general assembly in Turin

TSG WATERCRESS

The British manufacturers of watercress have submitted an application for an TSG that was sent to Brussels by the British Department of Agriculture (DEFRA). The French, Spanish and Portuguese manufacturers would like to be included in this application, each with its own translation of watercress, specificities and their own traditional production methods. British manufacturers agree, provided that the ongoing recognition process is not slowed down.

A meeting was held with the staff of DG Agri, including the director of the unit in charge of the quality policy, during which it was proposed to complete the path of approval of the British application, and to change the specifications in order to introduce the translations in other languages at a later stage. In addition, a federation of

European Producers of watercress fountains will be created in order to submit the application. The headquarters will be in London. The UK market represents 70% of the European market.

It is interesting to note that an article asking the Commission to submit a proposal for the creation of a standard procedure for the recognition of transnational GIs and TSGs was introduced in the new regulation on quality schemes for food and agricultural products which is being approved. AREPO could act as an expert interlocutor on this issue and could support the Commission in its work.

AREPO's Position: AREPO gave its support in Brussels to the request of the producers in order to find the best possible collective solution. This is an important case, which adds to the experience of AREPO and gave it the chance to work with British manufacturers. Many of them work in South-West, the region that has the largest number of PGI and PDOs (8) in the UK. After the creation of the TSG, AREPO will offer to AREFLH to jointly follow this issue.

B) OTHER ACTIONS OF AREPO

ENLARGEMENT OF THE ASSOCIATION TO NEW REGIONS TO INCREASE its REPRESENTATIVENESS:

Regions that have become Observers: Bavaria, Istria

About twenty regions have been approached in order to present the network and its activities to them. Of these, 7 have expressed their willingness to hold bilateral meetings and 5 have expressed an interest in joining and are discussing the options with their governments and their own producers. No formal application for membership, however, was made as of today.

NEW WEBSITE

Over the recent months, and with the approval by the General Assembly which was held in Florence in September 2011, a new website was built, which tools will allow us to improve both our internal and external communication, thanks to more flexible management tools.

The new site will allow on the one hand to give greater visibility to AREPO's news and events, as well as to its activities in Brussels, and on the other to improve members' access to internal working documents, allowing them also to comment on published documents, thus promoting online collaboration. All our members are invited to create their own profile on the site.

PARTICIPATION IN EUROPEAN PROJECTS

- **TOURISM ITINERARIES BASED ON LABELLED PRODUCTS:** AREPO applied, along with other partners such as NECSTouR and the Italian Touring Club, to a tender by the European Commission (DG Enterprise) about the creation of tourism itineraries that valorize European national and regional labelled products. Our regions, municipalities and associations of producers that expressed an interest will be involved in the project. The Commission will communicate the results of the selection process of the projects proposed in November 2012. The project is expected to begin in January 2013.
- **TRADITIONAL FOOD:** AREPO is preparing a draft to be submitted under the last KBBE call of FP7 to improve SMEs capacity for innovation and entrepreneurship by producing traditional foods, as well as the development of a strategic research agenda for the sector.
- **ANIWELL:** AREPO is preparing a draft to be submitted under the last KBBE call of FP7 to improve the link between animal health and welfare and human health.

INNOVATION IN AGRICULTURE

The European institutions are focusing on the need to innovate in agriculture, in fact, € 4.5 billion will be devoted to agricultural research in Horizon2020, the European Partnership for Innovation (EIP) is being launched and the call for the Knowledge and Innovation Community (KIC) food4future will be launched in

2013. In this context is AREPO is trying to find its role in encouraging innovation in traditional foods.

- Participation in the initiative of the Region of Tuscany on the EIP
- Participation in the consultation of the CoR on the EIP
- Participation in the meeting of the URC (Italian Regional Liaison Offices) on the EIP
- Participation in the ERRIN meeting of the KICs
- Participation in the FP7 call on innovation for SMEs in the traditional food sector.

ACTIVITIES OF PRESENTATION OF THE NETWORK:

- Presentation of the activities of the network at the international exhibition of organic agriculture (Biofach) Nuremberg
- Presentation of the activities of the network to the managers and technical managers of the quality of the region Bavaria
- Presentation of the activities to the regional council of agriculture of the Nord region (FR)
- Presentation of the activities to a group of Master's students of the Region Lower Normandy (FR)
- Presentation of the reform of regulations on the quality of agriculture to the Regional Council of Tuscany (IT)
- Presentation of the activities to a group of Sicilian master students (organized by Jlag)
- Presentation of the activities during the presentation of the project Key Q (organized by the Region of Istria)
- Presentation of the network to the new contacts of the PACA, Lower Normandy and Andalusia regions in Brussels
- Meeting with IFOAM to identify options for collaboration
- Meeting to present the work of the network during Alimentaria in Barcelona
- Meeting between Minister Rabboni and Minister Brunner in Monaco of Bavaria
- Meetings with the press to present the Association and its activities (in particular the creation of the Working Group on Olive Oil)
- Presentation of the activities during the GA of NECSTouR