

## ACTIVITY REPORT – AREPO

### September 2013 – October 2014

#### NEW REGIONS

In 2013, 25 regions paid the membership fee. During 2014 three new regions became members: Campania (as observer), Extremadura and Friuli Venezia Giulia.

#### QUALITY IN THE CAP

The four CAP regulations and the regulation on transitional provisions on support for rural development have been published in the Official Journal on December 20<sup>th</sup>, 2013.

In the final version of the Rural Development Regulation, the Article 16 deals with “*Quality schemes for agricultural products, and foodstuffs*”. The main results of AREPO lobbying activity in this area are:

- Enlargement of the **scope** of quality products measure, which includes European, national and voluntary quality systems for agricultural products. Also non-food products are eligible (solve the problem of crops for organic animal feed).
- The introduction of “**group of farmers**” as beneficiaries of the measure.
- Reintroduction of the **promotion** measure for quality products (Article 16, paragraph 2), requested only by AREPO.

Moreover during the last months AREPO has worked as technical support and platform for cooperation and dialogue for the regions in the drafting process of the Rural Development Programmes (RDP), working in particular on the possibilities and problems related to the implementation of the measure n.3 of the RDP and opening a dialogue with the Commission (technical committee of December 3<sup>rd</sup>, 2013).

During the last technical committee (September 24<sup>th</sup>, 2014), we proposed to the interested regions to share the answers they will receive from the Commission during negotiations on the critical points for the implementation of the measure 3. The Brussels office will collect the questions and information that can be shared among all the interested regions and, if needed, will coordinate the organization of video calls.

#### QUALITY PACKAGE: DELEGATED ACTS

##### STATE OF THE ART ON OPTIONAL QUALITY TERMS

**Delegated Regulation n. 665/2014 on optional quality terms “mountain products”**: publication in the Official Journal of June 19<sup>th</sup>. Main aspects of the regulation:

- **Flexibility with respect to feedstuffs**: The feedstuffs produced in mountain areas are primarily for ruminants, while only a small proportion is for pig. The European Commission has recognized this characteristic and has set the minimum proportion of feedstuffs from these areas to 60% for the first and to 25% for the latter.
- **Derogation for the activities of milk processing, slaughtering and pressing of olive oil**: these activities can take place outside mountain areas, at a maximum distance of 30 km. The Regulation provides for the possibility for each Member State to decide whether to apply the derogation and to define a specific distance lower to 30 km, for activities of milk processing.

We are working to collect and share information about the **implementation of this optional quality term in AREPO regions**. During the General Assembly and the Mountain Convention in Bilbao, we will exchange information and perspectives with Euromontana.

**Optional quality term “Local farming and direct sales” and “Islands products”:** for both these terms the Commission presented in December 2013 a report on the case for an optional quality term. The works on these terms are currently blocked.

#### DELEGATED REGULATION 664/2014

The **delegated regulation (EU) n .664/2014** supplementing regulation (EU) n. 1151/2012 has been published on the Official Journal of June 19<sup>th</sup>. The regulation introduces specific rules on sourcing of feed and raw materials (art. 1) for the PDO of animal origin. The feeds shall be entirely sourced from within the defined geographical area. Insofar as sourcing entirely from within the defined geographical area is not technically practicable, feed sourced from outside that area can be added, but they shall in no case exceed 50 % of dry matter on annual basis.

#### PROMOTION POLICY

The AGRIFISH Council adopted on October 13 the *“Regulation on information provision and promotion measures for agricultural products on the internal market and in third countries”*.

The new regulation provides for:

- **a gradual increase in the resources** available to 61 million planned for 2014 to 200 million in 2020;
- **the quality systems** as a key **priority** for promotion policy, in order to improve the knowledge of consumers about the characteristics of such products. In this regard, the **opportunity to mention the origin of the products** in the promotion campaigns has been introduced for the first time.
- the inclusion of **producer organizations** as beneficiaries of the promotion policy;
- the failure to reintroduce the co-financing of the Member States and the regions was partially offset by the **increase in community funding** raised to **70%** in the case of simple programs on the domestic market and **80%** for multi programs on the internal market and for all programs in third countries.

The regulation should apply starting from December 1<sup>st</sup> 2015, as stated in the text of compromise. As a consequence, the first call should be published in 2016.

#### REVIEW OF ORGANIC REGULATION

In March 2014 the European Commission published its *Proposal for a new regulation on organic production and labelling of organic products*. This proposal

- to **simplify the legislation** to reduce administrative costs;
- to **strengthen and harmonize rules**, both in the European Union and for imported products, by **removing many of the current exceptions** in terms of production and controls;
- to reinforce **controls** by making them risk-based;
- to make it easier for **small farmers** to join organic farming by introducing the possibility for them to sign up to a **group certification** system.

**Next steps:** the subject is currently being discussed in the Parliament and in the Council.

- The **COMAGRI** appointed Martin Hausling (Greens) as rapporteur. By November, he should present the report. The final report will be voted in COMAGRI in January, whereas in February in the Plenary.
- In the **Council** the Italian Presidency sustains actively this dossier, supporting EC view and proposal, even if there are some critical points to be addressed (excessive use of delegated acts; removal of all derogation; control system and imports). The Italian Presidency objective is to complete the first

reading and elaborate a consolidated position defining some common pillars for the development of organic agriculture in Europe.

During the technical meeting of 23-24 September in Brussels, we analyzed the common AREPO position on organic agriculture. The main critical points identified in the EC proposal are:

1. **Regulation structure** (main regulation + annexes containing specific production rules) and excessive use of **delegated acts** bring uncertainty and risk of fragmentation;
2. Removal of all **derogation** (ex. mixed farms, organic seeds, control for retailers etc...) does not respect the regional differences within the EU. More flexibility is needed in order to guarantee the development of the sector;
3. **Control system** including control on organic farming in the Official Control Regulation bring the risk of losing the specific characteristics of control on organic farming (process approach) and the risk of fragmentation.
4. **Group certification:** the limit of 5 ha to define the small-scale farmers is not appropriate, the dimension depends from the type of exploitation and it would exclude a great number of small producers. We would suggest modifying the definition, using economic and organizational requirements to describe the group and the single farmer.

Lobbying actions:

- Members consultation in order to prepare the AREPO common position on review of organic regulation;
- Participation in the consultative meeting of the Committee of Regions (CoR) on the EC proposal for a regulation on organic farming;
- Sending of AREPO position to the rapporteur on the opinion of the CoR, Hester Maji (NL/PPE), on EC proposal for a regulation on organic agriculture;
- Established contacts with the assistant of MEP Eric Andrieu (shadow rapporteur of S&D and fist COMAGRI vice-president) in order to meet him to present AREPO initial position and to establish a collaboration for the definition of the amendments to Commission proposal.

#### INITIATIVE ON PROMOTION OF LOCAL PRODUCTS

Initiative proposed by Unioncamere Lombardia and by the Delegation of Lombardy Region in Brussels to raise awareness about the protection and promotion of local food products. In addition to AREPO, other network are also participating, like ERRIN, Euromontana and KEN, with the aim of involving the largest possible number of regions. On 16 October, the lunch event was held in Brussels to present the shared position, result of the common work of the last months. The document will be presented to the European Commission in occasion of the Universal Exposition of Milano "Expo 2015 Feeding the Planet, Energy for Life."

#### COOPERATION WITH PARTNER AND FRIEND ORGANIZATIONS

AREPO has worked with **IFOAM** about the revision of the organic farming regulation; participation in the 8<sup>th</sup> Congress of Organic Farming in Bari (September 2014); Participation in a common call for proposal for the research and innovation programme, Horizon 2020.

Collaboration with **ERIAFF** on the issue of innovation in agriculture.

Organization of the General Assembly in collaboration with **EUROMONTANA**, in occasion of the European Mountain Convention in Bilbao (22-24 October 2014).

#### COOPERATION WITH EUROPEAN INSTITUTIONS

Thanks to the work done during the last 7 years in the advisory group on quality of DG AGRI, AREPO has been able to expand its representation in the "Civil Dialogue Groups" which, for the next 7 years, will formulate opinions and recommendations contributing to Commission work. In particular, we will be represented in 3 groups:

- "quality and promotion" group (2 seats),
- "organic agriculture" group (2 seats)
- "rural development" group (1 seat).

Moreover, starting from June 2014 AREPO participates also to the **Civil Dialogue Group of DG Trade**, to monitor the evolution of the bilateral free trade agreements, in particular the TTIP between EU and United States, with special attention on the protection of Geographical Indications.

## COMMUNICATION

In order to increase the association visibility, the Wikipedia page of AREPO was created.

In addition, AREPO has increased its visibility by creating its page on LinkedIn, where all the news of our website are shared. All members are invited to join the page "AREPO Quality" on LinkedIn.

Finally, during the first half of 2014 we prepared a dossier to present the network. This dossier was sent to all European regions with the aim to raise awareness about our activities and expand the membership.

## EUROPEAN PROJECTS

AREPO participates to the definition of a project proposal for the **Horizon 2020** call "Sustainable food chains through public policies", together with Wageningen University (coordinators), INRA, RUAF Foundation and FIBL. The focus of the project will be on quality policy and public food procurement. The first ideas for a proposal and consortium have been discussed at a meeting in Paris on June 6th and have been further developed during the last meeting in Amsterdam on September 3rd. The next step will be a stakeholder workshop that we are organizing with the aim to identify and define the questions and research needs of different kind of stakeholders in quality policy and food public procurement sectors. AREPO technical meeting on October 21<sup>st</sup> on Innovation will be our preparatory internal meeting.

In April, we also presented a project proposal for **Erasmus+** programme with Jlag and the European Landowners Organization (ELO). The project would the aim to develop training modules for the EU quality package, in particular on geographical indications, addressed to producers, retailers, SMEs and local authorities.

## NON-AGRI GI

Two needs are at the basis of this proposal: on the one hand the need of origin handicrafts producers, who face the same usurpation issues as origin agricultural products producers; on the other the demand by third countries who, in the framework of multi or bi-lateral negotiations, ask the EU to recognize their non-agri GIs. Examples: knives, earthenware, building stone, textiles, etc. AREPO answered to the EC consultation in order to be included later in the legislative process.

## COMPREHENSIVE ECONOMIC AND TRADE AGREEMENT (CETA) EU-CANADA

The Comprehensive Economic and Trade Agreement (CETA) between the EU and Canada has been concluded. The agreement recognizes an exhaustive **list** of more than 150 European GIs, for which there is a high level of protection, and establishes very specific rights and mechanisms of application. Other products can be integrated in the list in future. Prosciutto di Parma and San Daniele will finally enter the Canadian market with their original name, for the first time after more than 20 years. The trade agreement therefore represents an important precedent for the WTO negotiations as well as for other bilateral agreements (eg. TTIP EU-USA).

**Weaknesses: lack of retroactive strength:** several European GIs (eg. Parma ham, Asiago, Feta and Munster), will **coexist** with already registered Canadian trademarks. In addition, a limited number of recognized GIs will be submitted to exceptions.

Nevertheless, it is considered a step forward the introduction of a requirement, for Canadian products, to clearly identify the geographical origin in the label and of the ban on using terms or symbols that refer to European GIs.