

ANALYSIS OF COMAGRI REPORTS CONCERNING THE CAP POST 2020 AND REVISION OF REGULATION 1151/12 ON QUALITY SCHEMES

Previous AREPO analysis and position paper can be found here

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INTRODUCTION

On June 1st 2018, the European Commission published the <u>legislative proposals</u> for the following three regulations in order to start the legislative process for the future Common Agricultural Policy (CAP):

- 1. CAP Strategic Plans (direct payments, rural development and sectoral support programmes);
- 2. Horizontal Regulation (financing, management and monitoring); and
- 3. Amending Regulation (amendments to CMO Reg. 1308/13, Reg. 1151/12 on quality schemes for agricultural products and foodstuffs, Reg. 251/14 on GIs for aromatized wine, among other).

In September 2018, the Committee on Agriculture and Rural Development of the European Parliament (EP) started working actively on its position and finally voted two of the three reports on April 1st and 2nd, 2019: Amending Regulation, 2018/0218(COD) and CAP Strategic Plans, 2018/0216(COD).

The texts approved by AGRI Committee were not submitted to vote in plenary during the last parliamentary term. Following 2019 European elections, the new AGRI Committee of the EP took office. It should be able to resume work on the CAP post-2020, on the basis of what was approved in April 2019, in order to allow new MEPs to contribute to the draft reports, but at the same time safeguarding what has been achieved so far.

In **collaboration with OriGIn**, AREPO developed and adopted **a common position and lobbying strategy on the CAP** to jointly defend Geographical Indications at European level. In line with the positions and analyses of our two associations, amendments have been proposed to strengthen the position of GIs in rural development and sectoral interventions and their protection in the relevant regulations (click here to find the text in <u>EN</u>, <u>ES</u>, <u>FR</u>).

The following analysis will focus on COMAGRI reports on **CAP Strategic Plans** and Amending Regulation, in particular on **simplification of GIs system**, with the objective to **highlight the main achievements of AREPO** and **OriGIn strategy as well as the critical points that still need to be addressed.**

OBJECTIVES ACHIEVED BY AREPO & ORIGIN COMMON STRATEGY

IN RURAL DEVELOPMENT QUALITY SCHEMES ARE INCLUDED IN "COOPERATION" TYPE OF MEASURE

MS may choose to support quality schemes under the "cooperation" type of intervention. The Commission text is rather general on this point, so AREPO and OriGIn strategy focused on clarifying and defining the possible actions on GIs permitted on this type of measure.

In particular, we successfully proposed several amendments in order to:

- clarify that under cooperation type of measure it is possible to implement measure both to promote and setting-up of quality schemes;
- 2. reintroduce the support for certification costs under "cooperation" type of measure;
- clarify that producer groups as defined by article 45 in Regulation 1151/12 can be beneficiaries of
 measures to promote quality schemes as well as other forms of support for cooperation/collective
 organization, under "cooperation" type of measure;



4. include a sub-thematic program for quality schemes for agricultural products: a horizontal programme using different measures to support quality schemes for agricultural products and foodstuffs would be of paramount importance to address simultaneously specific local needs (see for instance current sub-thematic program for young farmers, small supply chains and mountain areas in Art. 7, Reg. (EU) No 1305/2013).

NEW OPPORTUNITIES FOR QUALITY SCHEMES IN CMO REGULATION

The Report of COMAGRI includes new elements to the CMO Regulation with the objective to **strengthen** market regulation and crisis management.

Focusing on GIs, the most relevant amendment to the CMO Regulation concerns the **proposal to extend the instrument of supply regulation** (already existing for PDO/PGI cheese, ham and wine) **to all PDO and PGI products**, as well as to all products with a national quality scheme.

This is a positive development for sectors that were not covered so far and this was requested by several AREPO producer representatives. By introducing a new article, the flexibilities and specificities currently given to cheese and ham producers remain untouched by the amendment.

SIMPLIFICATION OF GIS SYSTEM

Concerning the simplification of GIs system, we achieved to reintroduce some positive amendments to the Commission legislative proposal. Almost all AREPO & OriGIn requests have been included into COMAGRI report. In particular COMAGRI report:

- 1. Reintroduces the human factor as a mandatory feature for defining a PDO, both for wine and foodstuffs. It also calls for the definition of the appellation of origin to be aligned to the Lisbon Agreement as much as possible while keeping EU specificities;
- 2. Cancel the separation of the assessment of compliance with intellectual property rules from the assessment of compliance of the product specifications. EU quality policy is more than a simple GI protection mechanism as they constitute an important tool for rural development. Product specifications include essential elements which do not concern exclusively IPRs, but also production processes, labelling, oenological practices etc. Limiting the examination to IPRs could eventually lead the EC to transform PDO and PGI schemes into a simple IP protection mechanism;
- 3. Extend the scope of protection for all GI products, namely:
 - Protection against the abuse of their reputation;
 - Protection of domain name which may cause confusion, in whole or in part, with a protected name;
- 4. For agricultural products and foodstuffs, reintroduces the requirement that PDO and PGI **product specifications** contain "evidence that the product originates in the defined geographical area", **clarifying that the evidence should consists in traceability elements** allowing to certify that the product comes from the geographical area defined by the product specifications;
- 5. Strengthen the system for GI wine protection, where the wine is used as ingredient in a food product. This type of provision already exists in Regulation 1151/2012 on quality systems for agricultural products and foodstuffs;
- 6. Assure the maintenance of the European and common nature of the Geographical Indication system within the simplification of the procedure for approval of amendments to product specifications. The adoption of guidelines setting out criteria and a common methodology for the implementation and enforcement of the administrative process of Union and standard amendments to product



specifications will allow a the PDO/PGI concept to be applied in a consistent manner throughout the EU and that a level playing field between the different Member States is ensured.

CRITICAL POINTS THAT STILL NEED TO BE ADDRESSED

A LOST OPPORTUNITY FOR QUALITY SCHEMES IN SECTORAL INTERVENTIONS IN CAP STRATEGIC PLANS

Producer groups as recognised by the Regulation 1151/12 are still excluded as beneficiaries of operational programmes. Thus, we should continue to work in order to table an amendment to extend the right to implement interventions in "other sectors" to GIs producer groups as recognised by the Regulation 1151/12.

SIMPLIFICATION OF GIS SYSTEM

The majority of our amendments have been included in the final text of COMAGRI report. Nevertheless, we should watch over some inconsistencies and wrong wording that could undermine simplification, in particular concerning:

- the separation of the assessment of compliance with intellectual property rules from the assessment of compliance of the product specifications for agricultural products and foodstuffs, since some article referring to it are still in place;
- the alignment of the PDO and PGI definition with the one provided for at international level in the Lisbon Agreement, since our proposal has been rejected;
- Improvement of PDO/PGI protection against the abuse of their reputation, since the wording concerning this aspect is wrong and unclear.