

AREPO POSITION ON THE EC LEGISLATIVE PROPOSAL ON THE REVISION OF THE EU GI SYSTEM

The <u>Association of European Regions for Products of Origin</u> (AREPO) is a network of Regions and producer associations that deals with products of origin and EU quality schemes. It represents 33 European regions and over 700 associations of producers for over 60% of European GIs.

AREPO welcomes the European Commission intention to strengthen GIs legislative framework and thus increase their take up across the EU, while ensuring their effective protection within the EU.

We appreciate in particular the ambition of the EC legislative proposal on strengthening the protection and empowering producer groups. Nevertheless, we believe that this ambition is not always supported by the right legislative provisions. In this regard, we would like to submit the following observations and the relative recommendations:

1. MANAGEMENT OF THE SYSTEM:

We regret the complexity of the procedures which might result from the proposal, as the simplification of the system should be one of the main goals of the reform.

In fact, we believe that the externalisation of the management of GI system would increase the complexity of the procedures. While remaining responsible for decision-making on GI registrations, amendments and cancellations, the EC proposes to externalise the management of the system to the European Union Intellectual Property Office (EUIPO) by delegated acts, without detailing the powers and responsibilities given to this agency in the main regulation.

Another important objective of the reform is to speed up the delay of the registration and amendment procedure. Nevertheless, the externalisation does not address this problem which is better dealt with the simplification of the amendment procedure adopted in December 2021. It is necessary to give a clear timeframe and speed up the amendment procedure that influences greatly the adjustments of production processes to external changes and pressures, like climate change.

Furthermore —and more importantly- shifting the management from DG AGRI to EUIPO will bring a loss of centrality of the agricultural and rural development components of GIs in favour of the intellectual property right dimension (IPR).

While we recognise the importance of IPR, we also strongly believe that GIs are much more complex and cannot be reduced to that. In fact, AREPO has always appreciated the approach adopted and maintained by the EC since 1992 with the first GI regulation, namely a vision of **GIs as policy tools for rural development and territorial planning**. In particular, GIs play a major role in maintaining economic and social activity in rural areas and are therefore crucial in preserving the territorial balance at regional level.

In light of that, we consider that the DG Agri should be in charge of the registration, amendment, opposition and cancellation of Gls, as well as of the evaluation of the applications and amendments of product specifications. The agricultural and rural development expertise is vital to ensure that Gls will continue to evolve and be part of the common agricultural policy. This is even more relevant now that sustainability criteria are expected to integrate more and more products' specifications.

On the other hand, the technical expertise and resources of the EUIPO could provide invaluable support to strengthen GIs protection. EUIPO could for instance continue to manage GIView, the GI register, play a role – as suggested by the EC – in ensuring proper protection of GIs in domain names' registration, be tasked with



improving the fight against counterfeiting and piracy of GIs through its European Observatory on Infringements of Intellectual Property Rights, support the EC in the opposition procedures for aspects concerning Intellectual Property, such as conflict with trademarks and genericity issues.

As a result, the delegation of power to the EUIPO should be clearly defined in the legislative proposal following the above-mentioned criteria.

2. RECOGNITION AND EMPOWERMENT OF PRODUCER GROUPS:

We welcome the ambition of the EC to encourage GI producers to work together in an efficient way within producer groups and to give more powers to these groups, since a strong collective governance is the core of the GI system.

However, we think that the EC proposal, by introducing two level of representativeness, generates a lot of confusion on the different groups, their powers and responsibilities and risk creating a two-speed system. Furthermore, the current wording does not take into account the diversity of legal situations in the Member States and risks undermining well-functioning collective governance systems that are already in place in many Member States.

We consider that the **legislative proposal needs to define general rules and principles** on the GI groups, their powers and how a GI group can be recognised by a Member State. There is a need to start a reflection with the different sectors to find a solution which would fit all GIs.

In any case, national specificities need to be considered in order to take into account differences between the Member States as well as between the different sectors. For this reason, we suggest applying subsidiarity to let the Member States maintain or improve their national system.

3. SUSTAINABILITY:

We point out that the transition toward a sustainable food system must embrace every sector and productive activity and should not be limited to geographical indications.

We would like to recall that due to their inherent link to a given territory, GIs cannot relocate elsewhere. So they depend on the conservation and sustainable reproduction of local resources. Thus we can say that sustainability is somehow encoded in the DNA of these productions to assure their survival.

In fact, EU quality policy already contributes to several fundamental objectives of Farm to Fork strategy: addressing citizens demand for traditional products with the **highest possible standards of food safety and quality**; ensuring economic sustainability thanks to conditions of fair competition and **higher producers income**; ensuring **sustainable food production** through the protection of rural landscape and sustainable management and reproduction of natural resources; and providing **clear communication to consumers** concerning product characteristics and origin. Furthermore, geographical indications traceability and protection mechanism represent an important and efficient tool to **combatting food fraud**.

Moreover, GIs protection is often associated with the production of public goods, such as conservation of **biodiversity**, contribution to **animal welfare**, protection of **cultural heritage**, socio-cultural and rural **development** and reduction of poverty, in particular in mountainous and remote regions, where the farming sector accounts for a significant part of the economy and production costs are high.

In light of all these contributions to different sustainability dimensions, we would like to recall the importance to adopt a **holistic approach to sustainability based on the three pillars: environmental, social and economic.** In particular, we would like to stress that sustainability cannot be reduced to nutrition and health.



We do not agree with the proposal of the EC to decide via delegated acts the future approach for GIs on sustainability. We believe that this strategic issue needs to be specifically defined in the EU GI legislation.

We stand for a **voluntary approach**, capable on the one hand of **acknowledge and promote GIs contribution to sustainability**, and on the other to support and encourage producers and producer groups to further engage in this sustainable transition.

We recommend to pay attention to the additional costs that could be imposed on GIs producers if additional sustainability-related commitments should be introduced in the product specifications. In fact, in this way they would become binding commitments and they would be subject to certification. This would introduce difficulties and additional costs related to the implementation, the respect and the monitoring of these commitments.

Furthermore, the communication of sustainability-related commitments should not overshadow the centrality of the GIs specific values, namely the link the territory and specific product characteristics.

Finally, we believe that it is fundamental avoiding a standardisation of sustainability through the definition of general standards that risk not being appropriate for all GI products. As a matter of fact, producer groups should have the possibility to define sustainability standards according to their local needs and territories. The multidimensional and territorially contextualised nature of sustainability must be recognised, and this is especially relevant for origin products and their production systems.

4. PROTECTION:

We find some encouraging elements in the EC proposal concerning protection and controls of GIs, notably concerning the domain names environment, GI names that contain or comprise the denomination of a plant variety or animal breed, and GIs when used as ingredients.

The text can be improved to strengthen the protection of GIs online and fine-tuning will be required to ensure proper protection of GIs used as ingredients.

However, we find the attempt to define the concepts of evocation and the generic status of terms to be problematic. The definition of genericity should be revised. At the same time, it is difficult to have a definition which comprises all dimension of evocation, since it is subject to constant evolution. For this reason, the definition should draw the main picture, but should be left open to evolve through jurisprudence in order to be able to cover new illegal practices that can raise in future.

Finally, there is also a need to strengthen the provision regarding the authorisation of the use of the GI logos.

In conclusion, we request that GIs are adequately supported in the various EU policies, by recognising the specificity of these production systems, streamlining procedures, and avoiding the introduction of procedures that would increase the costs of the production which is already higher than conventional products due to certification costs.

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