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# Report Name: GI issues in the future of the CAP

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**Report Category:** Administrative, Agriculture in the Economy, Policy and Program Announcements, Agriculture in the News

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#### **Report Highlights:**

On May 2020, the European Commission announced a revision of the legislative framework for Geographical Indications (GIs) as part of the European Union (EU) Green Deal's Farm to Fork Strategy. The EU applies intellectual property rights (IPR) protections for GIs and quality assurances under traditional specialties guaranteed (TSG). The revision is planned for publishing in the first quarter of 2022.

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

## General information:

The EU protects more than 3,400 product names for agricultural goods, including also fishery and aquaculture products, wines, spirits, and other products. These include <u>protected</u> <u>designations of origin</u> (PDOs) and <u>protected geographical indications</u> (PGIs) for agri-food products and wine and spirits. The TSG schemes are not linked to a specific geographical location, rather they protect traditional production methods and ingredient compositions. The key objectives of GIs and TSG schemes are to ensure the protection of the names of specific products and traditional production methods; safeguard the integrity of the internal market; seek optimal financial returns and fair competition for farmers and producers.

On May 2020, the European Commission <u>announced a revision</u> of the legislative framework for GIs as part of the EU Green Deal's Farm to Fork Strategy. The EU applies IPR protections for GIs and quality assurances under TSG. On December 2021, a report was published on the GIs and TSG protections in the EU as part of the revision of the European GIs system for agricultural products, wines and spirit drinks and the related impact assessment. The key findings in the <u>executive summary</u> suggested that the GIs and TSG schemes offer a wide range of benefits for stakeholders. This includes a fair financial return and enhanced competitiveness for farmers and producers. The report notes that the scheme is not applied systematically in all EU Member States underlining that practices broadly differ among the various sectors. Moreover, consumer awareness and understanding are low in some EU Member States, as well as a complex registration process with unclear IPR protections. The report states that GIs and TSG schemes ensure the integrity of the internal EU market, providing value added through uniform product standards for trade with third countries.

## GIs and the Common Agricultural Policy (CAP) 2023-2027

A political agreement was finalized on the CAP 2023-2027 after it was approved by colegislators the European Parliament (approved November 23, 2021) and the European Council of Member States (approved December 2, 2021). Within the CAP, the <u>Common</u> <u>Market Organization</u> regulation addresses GIs. The reform provided positive measures for agri-food sectors for GIs by simplifying procedures for modified GI specifications and the possibility for all GIs to apply the regulation as an instrument of supply. Also, the CAP reforms provide enhanced protections and the possibility of including voluntarily elements of sustainability in the GIs specifications in line with the Farm to Fork Strategy.

### **Stakeholders' reaction**

<u>Euractiv reported</u> that Members of the European Parliament expressed concerns objecting to bridging GIs to IPR and the <u>involvement of the EU's regulatory authority</u> for intellectual

property, EUIPO, suggesting that the Commission's Directorate General for Agriculture and Rural Development (DG AGRI) was outsourcing traditional bureaucratic competencies.

Concerns were raised by parliamentarians about shifting a system embedded with Europe's regional, cultural food and agriculture heritage to a less connect "trademark approach". The EUIPO has already begun taking over the responsibility after examining more than 1,100 GIs and TSG files since 2018. Moreover, EUIPO contributed to the development of a free online database that aggregates all the registrations for GIs.

On February, 2022, a coalition of EU associations <u>published</u> an open letter to the EU institutions, Commission, Council, and Parliament, sharing concerns with the shift in competent authorities for GIs and TSG. The signatories (AREPO, AREV, EFOW, oriGIn EU) represent the majority of EU stakeholders for GIs. The group is preoccupied over the Commission's intention to shift the authority of managing GIs to the EUIPO. The associations argue that protections for GIs should continue to be managed at the national and EU level by the authorities in charge of agricultural policy, as they consider GIs to be collective rights under several public functions. Also, the associations believe that delegating the management of GIs to the EUIPO would favor the U.S. trademark approach to GIs. Furthermore, they highlight their opposition with an "understanding that a collective mark or certification mark regime is the most effective means of providing TRIPs-consistent protection for GIs.

#### Attachments:

No Attachments.