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**COMMISSION STAFF WORKING DOCUMENT**

**EVALUATION**

**OF GEOGRAPHICAL INDICATIONS AND TRADITIONAL SPECIALITIES  
GUARANTEED PROTECTED IN THE EU**

{SWD(2021) 428 final}

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## Acronyms and abbreviations

CAP	Common Agricultural Policy
CDG	Civil Dialogue Group
CMO	Common Market Organisation
COVID-19	Disease caused by a new strain of coronavirus
DG	Directorate-General
DG AGRI	Directorate-General for Agriculture and Rural Development
EU	European Union
FADN	Farm accountancy data network
GVA	Gross Value Added
IP	Intellectual Property
IPR	Intellectual Property Right
IPRED	Intellectual Property Rights Enforcement Directive
JRC	Joint Research Centre
NA	National authorities
OJ	Official Journal
OCR	Official Control Regulation
PDO	Protected Designation of Origin
PG	Producer groups
PGI	Protected Geographical Indication
PS	Product Specification
SWD	Staff Working Document
TSG	Traditional Speciality Guaranteed
UK	United Kingdom

## 1. INTRODUCTION

This document sets out the results of the Commission's evaluation of the European Union (EU) quality policy on Geographical Indications (GI) and Traditional Specialities Guaranteed (TSG). This legislative framework ("framework", "rules") consists of:

- **GIs and TSGs for agricultural products and foodstuffs: Regulation (EU) No 1151/2012** of the European Parliament and of the Council of 21 November 2012 on quality schemes for agricultural products and foodstuffs (OJ L 343, 14.12.2012, p. 1);
- **GIs for wines: Regulation (EU) No 1308/2013** of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 (OJ L 347, 20.12.2013, p. 671);
- **GIs for spirit drinks: Regulation (EU) 2019/787** of the European Parliament and of the Council of 17 April 2019 on the definition, description, presentation and labelling of spirit drinks, the use of the names of spirit drinks in the presentation and labelling of other foodstuffs, the protection of geographical indications for spirit drinks, the use of ethyl alcohol and distillates of agricultural origin in alcoholic beverages, and repealing Regulation (EC) No 110/2008 (OJ L 130, 17.5.2019, p. 1) and
- **GIs for aromatised wine products: Regulation (EU) No 251/2014** of the European Parliament and of the Council of 26 February 2014 on the definition, description, presentation, labelling and the protection of geographical indications of aromatised wine products, and repealing Council Regulation (EEC) No 1601/91 (OJ L 84, 20.3.2014, p. 14).

This evaluation is a backward-looking exercise, it covers the period from 30 May 2008 (shortly after the entry into application of Regulation (EC) No 110/2008 for spirit drinks) to the end of 2020, based on available information and data.

The evaluation assesses the extent to which the GI and TSG policy has achieved its objectives. It examines the effectiveness, efficiency, relevance, coherence and EU added value of the GI and TSG framework. In particular, the evaluation assesses whether the GI and TSG policy is still fit for purpose in the light of the current and (already known) future challenges. It takes account of the Commission's new political objectives, in particular the Farm to Fork Strategy<sup>1</sup>. The current COVID-19 crisis is also being assessed in limited extent.

The evaluation covers all EU Member States (and the United Kingdom, which was still a Member State for most of the evaluation period<sup>2</sup>).

This evaluation feeds into an Impact Assessment report that will present and analyse the options for the upcoming revision of the GI/TSG policy.

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<sup>1</sup> [https://ec.europa.eu/food/sites/food/files/safety/docs/f2f\\_action-plan\\_2020\\_strategy-info\\_en.pdf](https://ec.europa.eu/food/sites/food/files/safety/docs/f2f_action-plan_2020_strategy-info_en.pdf)

<sup>2</sup> The UK withdrew from the EU as of 1 February 2020. In a transition period lasting until 31 December 2020 EU law (with a few limited exceptions) continued to apply to and in the UK.

## 2. BACKGROUND OF THE INTERVENTION

This section firstly explains the terms “GI” and “TSG”, secondly describes the legal background and gives an overview of recent (political) developments. It also explains the baseline and points of comparison for the evaluation. Finally, it describes the intervention and its objectives, including the intervention logic.

### 2.1. Definitions of GI and TSG

As of January 2021, the EU protects almost 3 400 names of specific products as Geographical Indications (GIs) or Traditional Specialities Guaranteed (TSGs).

#### What are Geographical Indications?

A **Geographical Indication** (GI) is an indication (name) used on products from a specific geographical origin that have a certain quality, reputation or other characteristic that is essentially attributable to that origin. The GI scheme confers intellectual property rights, granting producers in a defined geographical area the right to use the registered name if they comply with the product specification.

Like other forms of Intellectual Property Rights, GIs promote fair competition by preventing “bad faith” uses, give consumers a guarantee of authenticity and distinguish products in the market. Their added value means that they secure higher-value sales and exports.

Several GI schemes operate at EU level: Protected Designations of Origin (PDOs) and Protected Geographical Indications (PGIs) in the agri-food and wine sectors, and Geographical Indications (GIs) for the spirit drinks and aromatised wine products. The link with the territory is stronger for PDOs than for PGIs and GIs:

- for PDOs, the quality or characteristics of the product are essentially or exclusively linked to the particular geographical environment of the place of origin. This encompasses natural and human factors, such as climate, soil conditions, topography, local know-how, etc. (natural and human factors); all stages of the value chain must take place in the defined geographical area;
- for PGIs and GIs, the quality, reputation or other characteristic is essentially attributable to its geographical origin. For most products, at least one of the production steps takes place in the defined geographical area.



Famous geographical indications include for example Bayerisches Bier, Champagne, Irish Whiskey, Kalamata olives, Parmigiano Reggiano, Polish Vodka, Queso Manchego and Roquefort.

## What are Traditional Specialities Guaranteed?

- Traditional Speciality Guaranteed (TSG) highlights traditional aspects such as traditional production method or traditional composition, without being linked to a specific geographical area. The TSG scheme provides for labelling protection and is not an intellectual property instrument.



Examples of famous TSGs are Bacalhau de Cura Tradicional Portuguesa, Amatriciana tradizionale, Hollandse maatjesharing and Kriek.

## 2.2. Legal framework for GIs and TSGs

GIs are recognised as Intellectual Property Rights (IPR) under the World Trade Organization's (WTO) Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS)<sup>3</sup>.

The EU has a particular responsibility to ensure the protection of Intellectual Property Rights as this is mandated under the Charter of Fundamental Rights of the European Union (Article 17)<sup>4</sup>.

The GI and TSG schemes are an integral part of the **Common Agricultural Policy** (CAP), which the EU has regulated in various steps as follows:

- In 1970, Regulation (EEC) No 817/70 was the first legal instrument laying down special provisions relating to quality **wines** produced in specified regions. Today GI legislation for wine is embedded in the Common Market Organisation (CMO) Regulation (EU) No 1308/2013, covering a range of agricultural products including the wine sector.
- In 1992, the EU extended the EU GI scheme to **agricultural products and foodstuffs** with a specific regulation. The current Regulation (EU) No 1151/2012 aims at ensuring protection of the GIs as an IPR and safeguarding traditional methods of production and recipes for TSGs.
- The first rules on **spirit drinks** GIs were set in 1989 (Regulation (EEC) No 1576/89). Current rules on production and labelling are set out in Regulation (EU) 2019/787.
- Rules for **aromatised wine products** GIs were first set in Regulation (EEC) No 1601/91. The current legislation in force is Regulation (EU) No 251/2014.

Overall, the current four sets of rules are coherent when it comes to the scope of protection of the names. However, due to historical factors and product specificities, they contain some sector-specific rules, e.g. on the use of raw materials, or on product labelling.

The legal framework would benefit from streamlining, which is to some extent already addressed in the current CAP reform process, such as alignment of agri-food procedures with the rules for the wines and spirits and the integration of aromatized wine products

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<sup>3</sup> [https://www.wto.org/english/docs\\_e/legal\\_e/31bis\\_trips\\_01\\_e.htm](https://www.wto.org/english/docs_e/legal_e/31bis_trips_01_e.htm)

<sup>4</sup> OJ 2000/C 364/01; [https://www.europarl.europa.eu/charter/pdf/text\\_en.pdf](https://www.europarl.europa.eu/charter/pdf/text_en.pdf)

under the scope of the agri-food Regulation, thus repealing GI provisions from the Regulation on aromatised wine products.

The current legal framework does not address requirements stemming from new political priorities and societal developments, such as sustainability or digitalisation. However, analysis of the GI and TSG schemes show that producers are already taking some of these on board. This is detailed under Section on 5.3.4. The current CAP reform addresses sustainability and digitalisation to a certain extent, but the impact assessment has confirmed the need to do more in these areas.

In addition, the CAP-financed **rural development** framework contains a specific measure to support quality schemes<sup>5</sup>. 16 Member States have included this measure in their Rural Development Programmes for the period 2104-2020, i.e. 56 out of 118 Rural Development Programmes provide for such a support.

This support covers two types of operations: support for farmers and groups of farmers for joining quality schemes established at national/regional or EU level (including for GIs and TSGs), and support for information activities on quality products under such schemes.

### 2.3. Recent policy developments related to GIs/TSGs

In its **Political Guidelines** for 2019-2024, the Commission focuses on six headline ambitions for Europe<sup>6</sup>. Among the key priorities is the development and implementation of a European Green Deal. In her “mission letter” to Commissioner Wojciechowski<sup>7</sup>, Commission President von der Leyen referred to the need ‘*to strengthen the system of GIs. GIs are a key part of maintaining high food quality and standards and ensuring that our cultural, gastronomic and local heritage is preserved and certified as authentic across the world*’.

In the **Farm to Fork Strategy**<sup>8</sup>, the Commission undertakes to strengthen the legislative framework of GI schemes, include specific sustainability criteria where appropriate, and strengthen the position of farmers and GI producer groups in the food supply chain. Council conclusions on the strategy welcomed a greater integration of sustainable development into EU quality policy, and asked the Commission to reaffirm the relevance and importance of EU quality schemes and to strengthen the legislative framework on GIs.

The Farm to Fork Strategy also outlined that the Commission will propose a legislative framework for a **sustainable food system** before the end of 2023.

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<sup>5</sup> Article 16 of Regulation (EU) N° 1305/2013

<sup>6</sup> [https://ec.europa.eu/info/sites/info/files/political-guidelines-next-commission\\_en\\_0.pdf](https://ec.europa.eu/info/sites/info/files/political-guidelines-next-commission_en_0.pdf)

<sup>7</sup> [https://ec.europa.eu/commission/commissioners/sites/comm-cwt2019/files/commissioner\\_mission\\_letters/mission-letter-janusz-wojciechowski\\_en.pdf](https://ec.europa.eu/commission/commissioners/sites/comm-cwt2019/files/commissioner_mission_letters/mission-letter-janusz-wojciechowski_en.pdf)

<sup>8</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – A Farm to Fork Strategy for a fair, healthy and environmentally-friendly food system (COM/2020/381 final)

In addition, the Commission's **Intellectual Property Action Plan**<sup>9</sup> involves improving the GI protection system, so as to make it more effective and to combat counterfeiting.

The Commission's June 2018 legislative proposals on the **Common Agricultural Policy (CAP) for 2021-2027** aim to make the EU's agricultural policy more responsive to current and future challenges, while continuing to support the active needs of EU farmers.

An adjustment of the GI legal framework is ongoing in the framework of the **CAP reform**, in particular by amending Regulation (EU) No 1308/2013 establishing a common organisation of the markets in agricultural products (CMO Regulation)<sup>10</sup>. The proposed amendments, which are currently discussed by the legislators, are aimed at clarifying certain GI wine rules and increasing protection on on-line selling platforms and for products in transit. They are also intended to streamline the rules for GI agricultural products and foodstuffs, and extend their application to aromatised wine products.

The COVID-19 pandemic brought a shock to agricultural markets<sup>11</sup>. The farm sector, including GI/TSG producers, will have to adapt gradually e.g. to lower consumer demand, leading to a reduction in output. However, this evaluation does not assess the impacts of the pandemic on GI/TSG producers, as works had already started before the crisis took off and it is still ongoing, with its effects most likely to reverberate throughout the coming decade.

#### **2.4. Baseline and points of comparison**

For the purposes of assessing policy, the points of comparison for this evaluation are rather limited. The previous evaluation cannot be used as a baseline, as the reference period (1992 to 2006) was some time ago and it was completed in 2008. Also, it had a narrower sectorial scope, focusing on agricultural products and foodstuffs only, while this evaluation covers four sectors (agricultural products and foodstuffs, wines, spirit drinks and aromatised wine products).

Moreover, the 2008 evaluation had to rely on findings from a limited number of case studies rather than data covering all registered PDOs and PGIs. It led to following recommendations:

- increase the availability of administrative and statistical data on the PDO/PGI scheme at EU and Member States levels.
- actively promote the scheme and provide stronger support for applicants.
- carry out an active communication campaign to raise consumer knowledge of the PDO/PGI scheme and the PDO/PGI symbols; and

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<sup>9</sup> Brussels, 25.11.2020 COM(2020) 760 final; <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12510-Intellectual-Property-Action-Plan>

<sup>10</sup> OJ L 347, 20.12.2013, p. 671

<sup>11</sup> OECD (2020), "The impact of COVID-19 on agricultural markets and GHG emissions", OECD Policy Responses to Coronavirus (COVID-19), OECD Publishing, Paris, <https://doi.org/10.1787/57e5eb53-en>

- consider ways of providing more information about raw material ingredients in PGIs, e.g. detailed origin information on at least the main ingredients on the package.

The current four sets of rules for EU quality schemes are in force respectively for spirit drinks since 2019, for agricultural products and foodstuffs since 2012, for wines since 2013 and for aromatised wines since 2014.

The Joint Research Centre (JRC) provided technical support in the form of a counterfactual analysis. This quantitative analysis provides an analysis of causal impacts on, for instance, employment and gross value added (GVA) in agriculture.

## 2.5. Description of intervention and its objectives

The GI and TSG schemes are part of the Common Agricultural Policy (CAP). Their overall objective is to ensure the protection of the names of specific products. While they share a similar intervention logic and pursue common objectives, there are some differences.

The general objectives of a GI is to provide an Intellectual Property Right protection for the name of a product of which the quality/characteristics or reputation are linked to its geographical origin. Specific objectives are to protect the legitimate interests of consumers and producers, to ensure market transparency and fair competition between producers, to provide clear product information for consumers, to safeguard the integrity of the internal market and create a competitive landscape with a level playing field for undertakings.

The general objectives of a TSGs is to safeguard traditional methods of production and recipes, regardless of the link to a specific geographical place. TSG is a labelling scheme, not constituting Intellectual Property Right protection. Its specific objectives are to help producers of traditional products to communicate to consumers the value adding attributes of their products as well as safeguarding traditional methods of production and recipes.

Based on the above, the **key objectives** of the GI/TSG framework are therefore to:

1. safeguard the integrity of the internal market,
2. establish fair competition for farmers and producers,
3. ensure uniform protection of the names, in particular GIs as an IPR,
4. provide fair return to farmers and producers,
5. contribute to the rural economy,
6. provide consumers with clear and reliable information on the product in question.

Further, the four sets of EU rules for the EU quality schemes set the following **specific objectives** per sector:

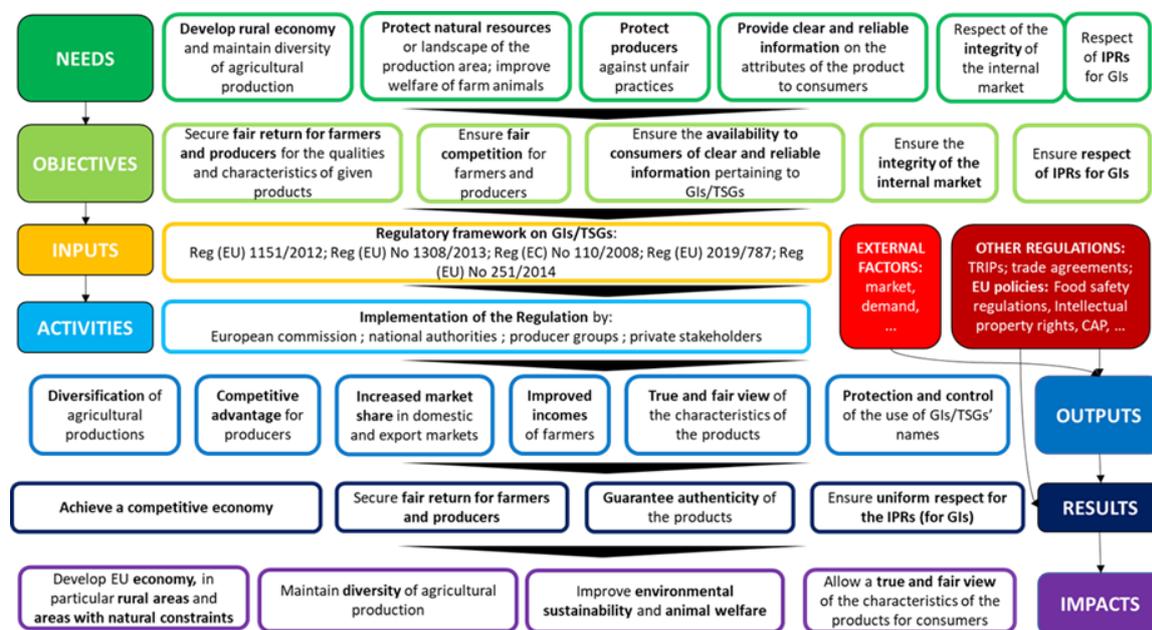
- **Agricultural products and foodstuffs:** the specific objectives of protecting designations of origin and geographical indications are securing a fair return for farmers and producers for the qualities and characteristics of a given product, or of its mode of production, and providing clear information on products with specific characteristics linked to geographical origin, thereby enabling consumers to make

more informed purchasing choices. The specific objective of the self-standing scheme for traditional specialities guaranteed is to help the producers of traditional products to safeguard traditional methods of production and recipes and to communicate to consumers the value adding attributes of their product.

- **Wines:** the current legislation aims at protecting the legitimate interests of consumers and producers, ensuring the smooth operation of the internal market, and providing information on the authenticity of quality products.
- **Spirit drinks:** the specific objectives set out in the regulation are the preservation of traditional production methods, the prevention of deceptive practices, the attainment of market transparency and fair competition between producers, and the achievement of a high level of consumer protection.
- **Aromatised wine products:** the specific objectives are the preservation of a certain quality standard, the prevention of deceptive practices, the attainment of market transparency and fair competition between producers, and the achievement of a high level of consumer protection.

Based on these objectives, a general intervention logic is presented below, setting out needs, objectives, inputs, activities, outputs, results and impacts. The objective of “contributing to the rural economy” is covered under the other objectives, such as securing a fair return for farmers.

**Figure 1. Intervention logic for GIs and TSGs for agricultural products and foodstuffs, wines, spirit drinks and aromatised wine products**



Source: Evaluation support study on GI/TSG

### 3. STATE OF PLAY

This section gives an overview of the number and economic importance of GIs and TSGs. It explains the application and registration procedure, and the enforcement and controls of GI and TSG schemes along the down- and upstream markets.

The statistical data in this section on the number of registered names relates to the situation of 1 January 2021, whereas the evaluation support study on GI/TSG<sup>12</sup> had a cut-off date of 1 January 2020. This allows to illustrate the dynamics of the GI/TSG sector with more up-to-date information. The economic data (retrieved from an external study on the added value of GIs<sup>13</sup>) refers to year 2017.

#### 3.1. Description of the current situation

##### 3.1.1. Data on GIs and TSGs

In January 2021, the EU geographical indication register, eAmbrosia, contained 3 306 GIs and 64 TSGs.

In addition, the EU has concluded 34 bilateral agreements<sup>14</sup> with third countries, protecting 1 593 non-EU GIs with an additional 777 non-EU GIs under consideration. Through these agreements EU GIs are also protected in the partner countries totalling more than 40 000 instances of EU GI protected in non-EU countries.

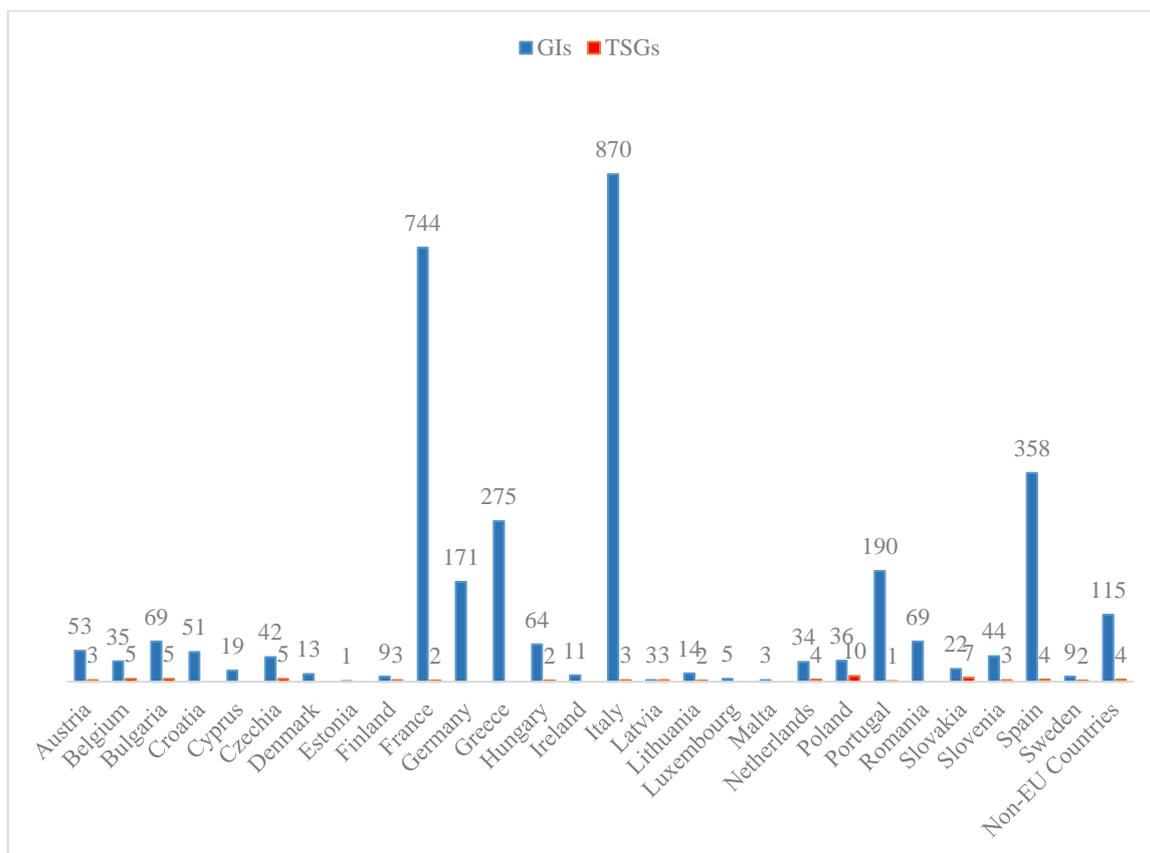
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<sup>12</sup> Evaluation support study on geographical indications and traditional specialities guaranteed protected in the EU, <https://op.europa.eu/en/publication-detail/-/publication/c1d86ba1-7b09-11eb-9ac9-01aa75ed71a1/language-en>

<sup>13</sup> Study on economic value of EU quality schemes, geographical indications (GIs) and traditional specialities guaranteed (TSGs) <https://op.europa.eu/en/publication-detail/-/publication/a7281794-7ebe-11ea-aea8-01aa75ed71a1>

<sup>14</sup> The names protected under bilateral trade agreements do not fall within the scope of this current evaluation.

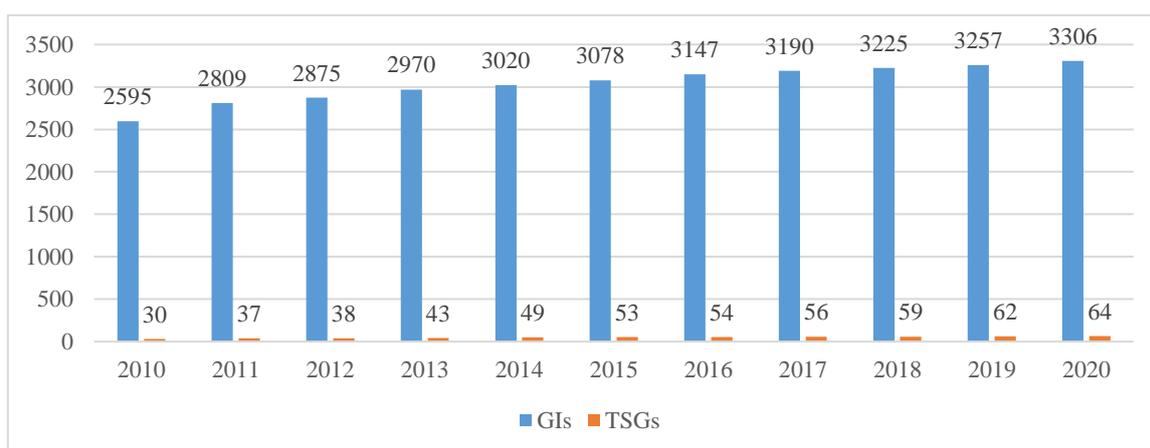
**Figure 2. Registered GIs and TSGs by EU Member States & non-EU countries – January 2021<sup>15</sup>**



Source: DG Agriculture and Rural Development

During the period 2010 to 2020, the number of registered GI names increased by 27%, the number of registered TSG names doubled, but still represents only 2% of all the registered product names.

**Figure 3. Evolution of the number of GIs and TSGs (non-EU countries included) 2010-2020**

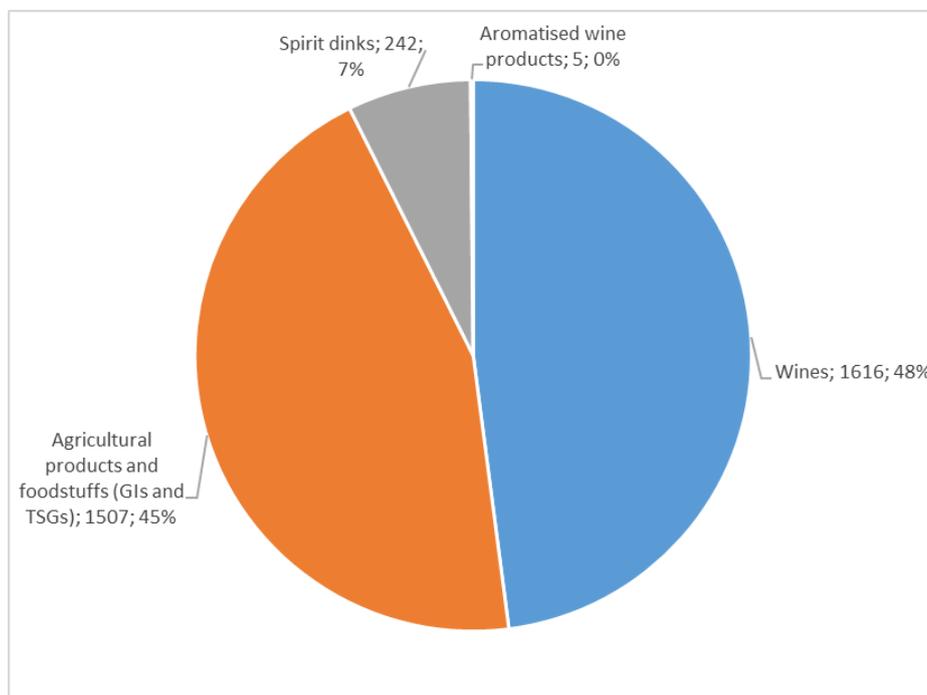


Source: DG Agriculture and Rural Development

<sup>15</sup> The registered 115 non-EU GI is covering only the registrations of names at EU level via direct applications, however more names are being protected under bilateral trade agreements (1 593), not falling under the scope of this evaluation.

A breakdown of the registered names by sectors puts wines in first place with 1 616 registered names (48%), followed by the food sector with 1 443 registered GI names and 64 TSG names (45%). Spirit drinks are in third place, with 242 registrations (7%). Only five aromatised wine products had been registered as of January 2021.

**Figure 4 Breakdown of GIs and TSGs by sector - January 2021**

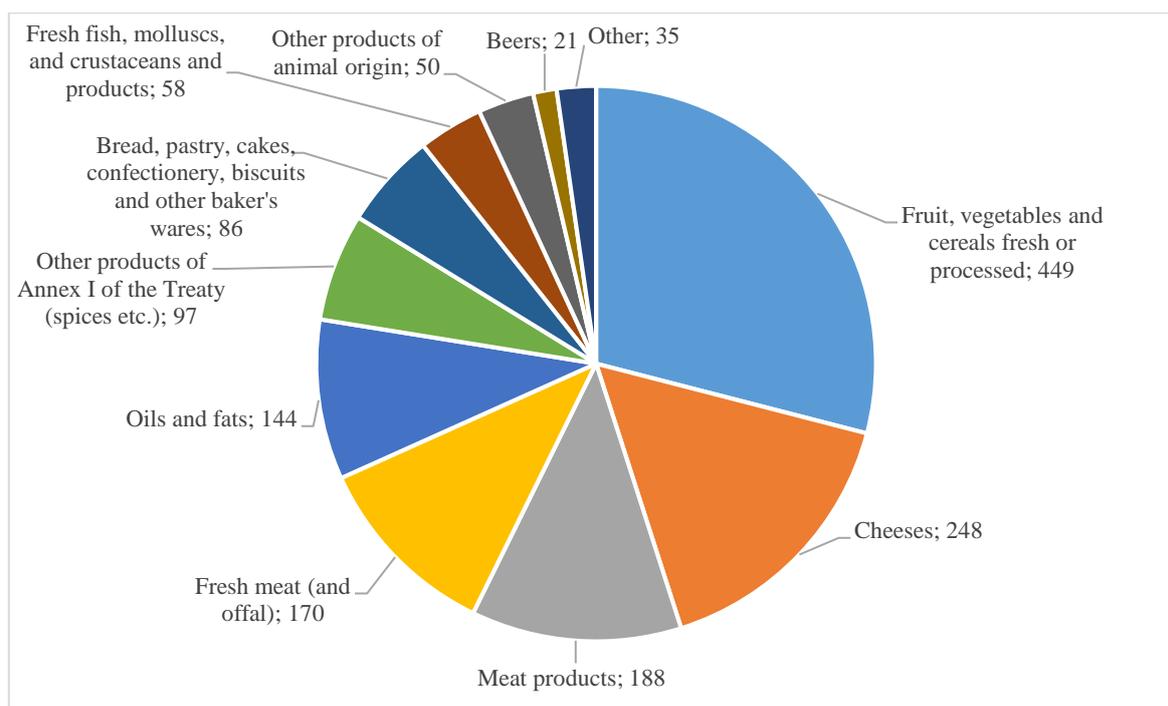


Source: DG Agriculture and Rural Development

In terms of variety of products, the most diverse is the sector of agricultural products and foodstuffs, covering 28 product categories<sup>16</sup>. Altogether 1443 GI/TSG names are registered in this sector. The number relating to fruits and vegetables (403) is almost equivalent to the combined total for meat products and cheeses (429). This diversity of categories offers wide product choices and reflects consumer' preferences. The following chart provides an illustration of such product diversity in the agri-food sector.

<sup>16</sup> Regulation (EU) No 1151/2012 of the European Parliament and of the Council of 21 November 2012 on quality schemes for agricultural products and foodstuffs; Annex XI.

**Figure 5 Product categories of agri-food GIs and TSGs– January 2021<sup>17</sup>**



Source: DG Agriculture and Rural Development

### 3.1.2. Importance of GIs/ TSGs: Economic overview

The total **sales value** of GI/TSG products in 2017 was estimated at EUR 77.15 billion in the EU-28 (EUR 74.76 billion excluding TSGs), accounting for 7% (6.8% excluding TSGs) of the total food and drink sales (EUR 1 101 billion at EU28)<sup>18</sup>. This is far from being a niche market.

**Exports** of GI/TSG products to non-EU countries in 2017 were estimated at EUR 17.03 billion (EUR 16.95 billion excluding TSGs) covering 15.5% (15.4% excluding TSGs) of EU trade of food and beverages, considering that EU trade of the overall food and drink sector accounted for EUR 110 billion<sup>19</sup>.

In 2010-2017, sales under GI/TSG increased more rapidly than in the whole food and drink sector. This trend is observed at both EU and extra-EU levels. However, this did not apply for all GIs, the sales value of 64% of GIs grew over the period 2010-2017, while it remained stable for 3% and decreased for 33% of the GIs. In addition, GI exports increased to a lesser extent than non-GIs exports<sup>20</sup>.

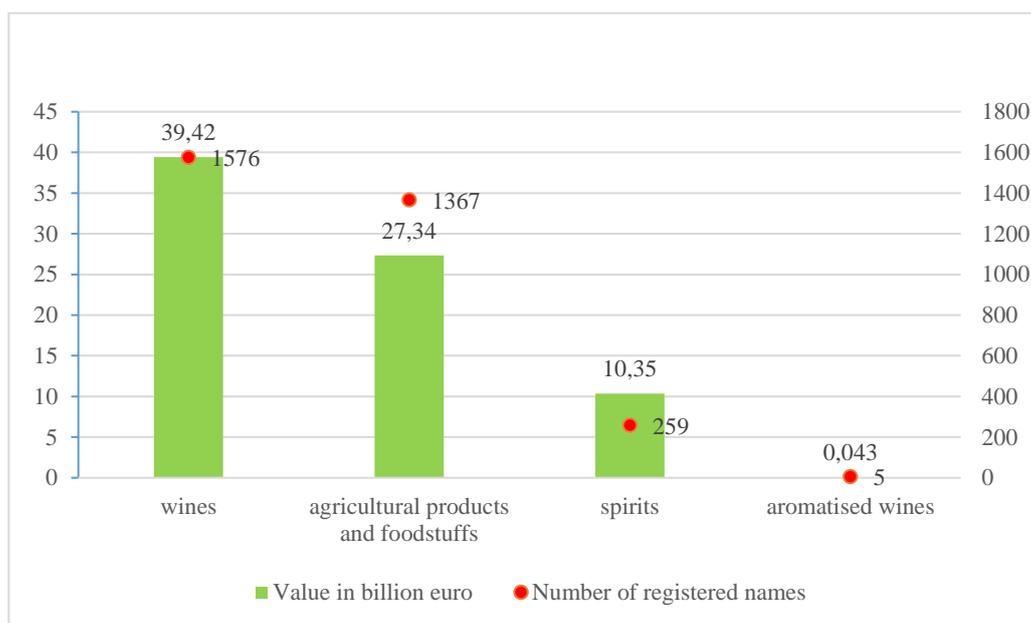
<sup>17</sup> Two GIs belong to two product categories, therefore they are counted in both categories

<sup>18</sup> Study on economic value of EU quality schemes, geographical indications (GIs) and traditional specialities guaranteed (TSGs) <https://op.europa.eu/en/publication-detail/-/publication/a7281794-7ebe-11ea-aea8-01aa75ed71a1>

<sup>19</sup> Study on economic value of EU quality schemes, geographical indications (GIs) and traditional specialities guaranteed (TSGs) <https://op.europa.eu/en/publication-detail/-/publication/a7281794-7ebe-11ea-aea8-01aa75ed71a1>

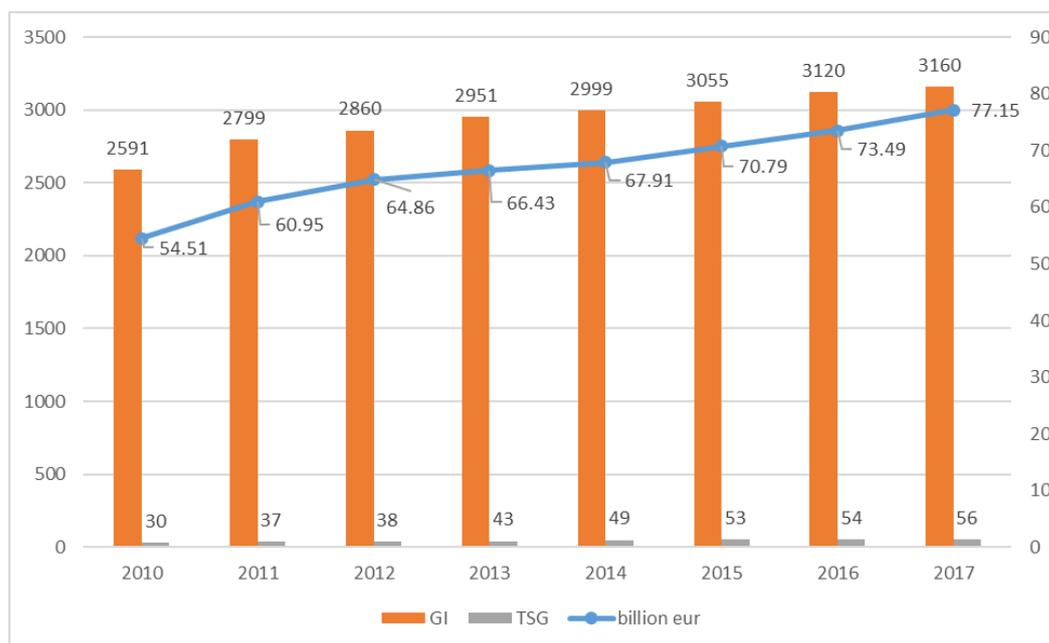
<sup>20</sup> Study on economic value of EU quality schemes, geographical indications (GIs) and traditional specialities guaranteed (TSGs) <https://op.europa.eu/en/publication-detail/-/publication/a7281794-7ebe-11ea-aea8-01aa75ed71a1>

**Figure 6 Sales value and number of registered names by GI and TSG schemes (2017)**



Source: Study on economic value of EU quality schemes (adaptation)'

**Figure 7 Evolution of the sales value of GIs and TSGs and the number of names registered (EU Member States only), in billion EUR**

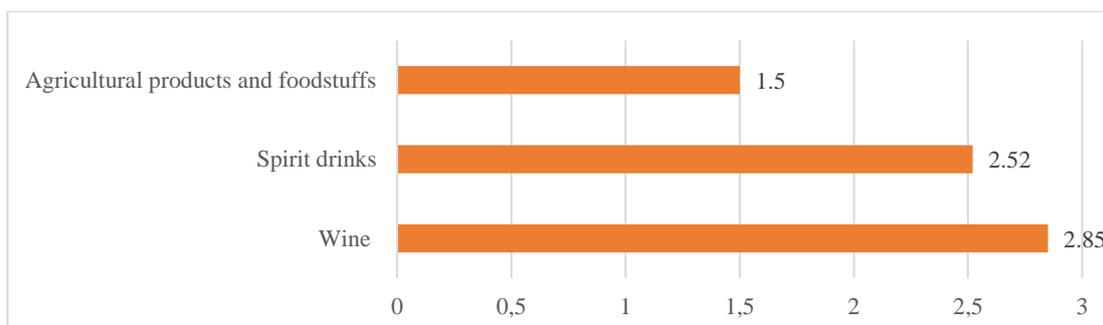


Source: DG Agriculture and Rural Development and Study on economic value of EU quality schemes (adaptation)

The **average value premium rate** for GI/TSG products in the EU-28 was estimated in 2017 at **2.07**. This value premium rate indicates that the sales value of GI/TSG products was on average (weighted) 2.07 times higher than the sales value for comparable

standard products<sup>21</sup> without a GI/TSG label. Both GI wines and GI spirit drinks fetched much higher prices than comparable standard products<sup>22</sup>. The highest premium was for wines (2.85) and the lowest for food products (1.5). In addition, lower price volatility is observed than for the non-GI sector.

**Figure 8. Value premium rate (2017)**



Source: Study on economic value of EU quality schemes (adaptation)

## 3.2. Implementation at national and EU level

### 3.2.1. Application procedure

The application process for new GI/TSG registrations and amendments to the product specification consists of two-steps: it starts in the country of origin with the submission of an application by a producer group<sup>23</sup> ('the applicant') to the national authorities for assessment at national level. This preliminary national procedure includes the scrutiny of the application, followed by its publication for opposition<sup>24</sup>. If the decision is favourable, the application dossier is sent to the Commission.

The application is subject to a scrutiny procedure at EU level, consisting of an assessment by the Commission, followed by publication for opposition in the Official

<sup>21</sup> For agricultural products and foodstuffs, the comparison group consisted of all types of products (cured ham, hard cheese, apples etc.). For wines, only one reference price for non-GI wine was estimated in each Member State. In the spirit sector, seven Prodcom spirit classes (whisky, vodka, gin and Geneva, rum, spirits distilled from fruits, spirits obtained from distilled grape wine and other spirits) were used. In case a reference for standard prices was not available, the value premium was estimated based on the price difference (between a GI product and a standard product) for comparable GI products in the Member State or in a neighbouring Member State. Source: Study on economic value of EU quality schemes, geographical indications (GIs) and traditional specialities guaranteed (TSGs).

<sup>22</sup> Study on economic value of EU quality schemes, geographical indications (GIs) and traditional specialities guaranteed (TSGs) <https://op.europa.eu/en/publication-detail/-/publication/a7281794-7ebe-11ea-aea8-01aa75ed71a1>

<sup>23</sup> A GI producer group is defined GI scheme as 'any association, irrespective of its legal form, mainly composed of producers or processors working with the same product' designated as a GI in the agricultural product and foodstuff. However, no such definition is included in the other sectoral legislations, nor are producer groups' roles defined.

<sup>24</sup> In the case of direct applications from third country applicants this first step of the procedure might be different.

Journal<sup>25</sup> C series. If no notice of opposition is received, the name is registered at EU level in the Official Journal L series. In case of oppositions, based on the outcome of the opposition procedure, the name is registered or rejected.

The registered name, together with its supporting documentation and with subsequent approved amendments, if any, is made public in the EU GIs register, eAmbrosia<sup>26</sup>.

### **3.2.2. Controls and enforcement**

Enforcement and controls are key for the effective implementation of GIs/TSGs at each stage of the value chain (e.g. production, preparation, distribution, placing on the market): from the compliance with the product specification (the upstream market<sup>27</sup>) to the respect of GIs as Intellectual Property Rights placed on the market and the provision of trustworthy information to consumers (downstream market<sup>28</sup>).

The framework for GI/TSG controls and enforcement as defined in the EU law, is a combination of specific rules: the Official Control Regulation (OCR) (EU) No 2017/625 and the Directive on Enforcement of Intellectual Property Rights (IPRED) 2004/48/EC.

The OCR applies to official compliance controls on the use and labelling of PDOs, PGIs and TSGs while IPRED requires Member States to provide for measures, procedures and remedies to ensure that IPR are enforced on the downstream market.

In addition, specific rules on controls are detailed in each sector-specific GI regulation.<sup>29</sup>

The graph below provides an overview of the main elements of controls/ enforcement in the upstream and downstream sectors under the applicable legislation.

The most frequent organisation in Member States is a central administration in charge of supervising the whole control procedure over the value chain, with some exceptions of regionalised organisations (for instance in Spain). The central competent authority (CCA) may delegate parts of responsibility to other competent authorities (CAs), and certain control tasks at producer level can be performed by control bodies (CBs). However, market controls (downstream) cannot be delegated to control bodies. This general structure varies from one Member State to another.

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<sup>25</sup> Official Journal is the official gazette of record for the European Union (EU). There are 2 series: L – Legislation and C - Information and notices (C stands for French 'communications').

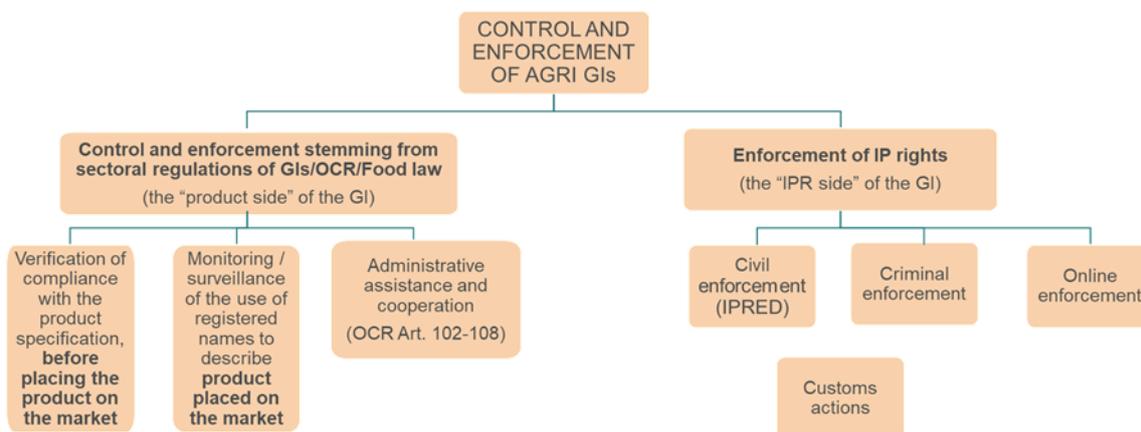
<sup>26</sup> <https://ec.europa.eu/info/food-farming-fisheries/food-safety-and-quality/certification/quality-labels/geographical-indications-register/#>

<sup>27</sup> Production level

<sup>28</sup> Market level

<sup>29</sup> Sectoral GI legislations are outlining the rules for controls on the verification of compliance with the product specification, before placing the product on the market; checking the proper use of the names registered on the market (agri-food products and spirit drinks); prevent or stop the unlawful use of PDOs and PGIs on products marketed in their territories (wines and spirit drinks) within the EU.

**Figure 9. GIs controls and enforcement**



Source: DG Agriculture and Rural Development

## 4. METHODOLOGY

This section gives an overview of (i) the methodology used for this evaluation and (ii) its limitations.

### 4.1. Short description of the methodology

This evaluation is largely based on:

- in-house data and information analysis of GI and TSG schemes;
- the public consultation;
- the external evaluation support study on GI and TSG protected in EU<sup>30</sup> (“evaluation support study on GI/TSG”);
- the external evaluation support study on economic value of EU quality schemes, GI and TSG<sup>31</sup> (“study on economic value of EU quality schemes”); and
- the counterfactual analysis of impacts in rural areas by JRC “Causal estimates of Geographical Indications' effects on territorial development: feasibility and application”<sup>32</sup>.

The evaluation applies five evaluation criteria: relevance, effectiveness, efficiency, coherence and EU added value.

<sup>30</sup> Evaluation support study on geographical indications and traditional specialities guaranteed protected in the EU, <https://op.europa.eu/en/publication-detail/-/publication/c1d86ba1-7b09-11eb-9ac9-01aa75ed71a1/language-en>

<sup>31</sup> Study on economic value of EU quality schemes, geographical indications (GIs) and traditional specialities guaranteed (TSGs) <https://op.europa.eu/en/publication-detail/-/publication/a7281794-7ebe-11ea-aea8-01aa75ed71a1>

<sup>32</sup> Dumangane, M., Granato, S., Lapatinas, A., and Mazzarella, G., Causal estimates of Geographical Indications' effects on territorial development: feasibility and application, JRC Technical Report, Ispra, 2021, JRC124769, [Causal estimates of Geographical Indications' effects on territorial development: feasibility and application | Knowledge for policy \(europa.eu\)](https://knowledge4policy.europa.eu/feasibility-and-application)

## 4.2. Data collection and the assessment

Stakeholders had an opportunity to provide feedback on a **Commission roadmap** from 29 April to 27 May 2019<sup>33</sup>.

The Commission carried out a **public consultation**<sup>34</sup> in order to give public authorities and all stakeholders the opportunity to express their views on the GI and TSG schemes. The public consultation was conducted from 4 November 2019 to 3 February 2020 on EUSurvey. The public consultation attracted 233 responses from respondents in 25 countries, including 21 Member States and four non-EU countries. It was complemented by stakeholder consultation in the framework of the Civil Dialogue Group meeting<sup>35</sup> on 3 July 2020 and a high-level GI Conference on 25-26 November 2020<sup>36</sup>.

The Commission conducted its own **internal assessment**, based on in-house data from eAmbrosia and analysis of applications.

External experts were commissioned for the **evaluation support study on GI/TSG** in order to obtain an independent evidence-based assessment of how the GI and TSG schemes work. The study used a vast range (quantitative and, to a large extent, qualitative) information sources and tools, as summarised below:

**Table 1. Data gathering methods, scope and reach of the evaluation support study on GI/TSG**

Tools	Scope
EU level interviews	EU level
FADN analysis	EU level
Electronic survey with national authorities (27 answers)	28 MS
National interviews & desk research	7 MS: CZ, FR, IT, ES, HU, DE and NL
Electronic survey with producer groups (477 answers, 25% response rate)	
17 case studies	
Research on national / regional schemes	
Electronic consumer survey (2 800 answers)	

Source: Evaluation support study on GI/TSG

The JRC conducted a counterfactual analysis, which focused on the local presence of GIs in Portugal, as measured at the level of the municipality in which the products originate, and their contributions to the development of the rural economy in terms of employment,

<sup>33</sup> <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/2029-EU-food-quality-schemes-evaluation>

<sup>34</sup> <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/2029-Evaluation-of-Geographical-Indications-and-Traditional-Specialities-Guaranteed-protected-in-the-EU/public-consultation>

<sup>35</sup> Civil dialogue groups (CDG) assist the European Commission and help to hold a regular dialogue on all matters relating to the CAP, including rural development, and its implementation. [https://ec.europa.eu/info/food-farming-fisheries/key-policies/committees-and-advisory-councils/civil-dialogue-groups/cdg-explained\\_en](https://ec.europa.eu/info/food-farming-fisheries/key-policies/committees-and-advisory-councils/civil-dialogue-groups/cdg-explained_en)

<sup>36</sup> [https://ec.europa.eu/info/events/strengthening-geographical-indications-digital-conference-2020-nov-25\\_en](https://ec.europa.eu/info/events/strengthening-geographical-indications-digital-conference-2020-nov-25_en)

number of firms in agriculture, agricultural Gross Value Added and labour productivity (measured by turnover per employee).

No weighting of the different sources was applied, it has to be noted that the sources were complementary.

### **4.3. Limitation and robustness of findings**

#### **(1) Baseline**

For the purposes of assessing policy, the points of comparison for this evaluation are rather limited. The previous evaluation cannot be used as a baseline, as the reference period (1992 – 2006) was some time ago and its scope was limited to agricultural products and foodstuffs only. Therefore, this evaluation is the first fully fledged evaluation of the GI and TSG schemes. Where possible, a limited counterfactual analysis is used.

#### **(2) Data availability**

The COVID-19 outbreak occurred in the data-collection phase of the evaluation support study on GI/TSG and had a considerable impact on stakeholders' availability for interviews. Additional measures were taken to address problems encountered in the process of data gathering (e.g. extending deadlines, using phone interviews, electronic surveys and desk research).

Although the quantitative data relating to the implementation of GIs and TSGs is broad, it is scattered and not collected in a systematic way, so sometimes not easily searchable.

#### **(3) Applicability of the conclusions**

It is difficult to draw conclusions that apply to all 3 306 GIs and 64 TSGs. Each GI and TSG contributes to the achievement of the policy objectives, but at the same time the success of an individual GI/TSG depends on many factors such as the strength of the producer group, clear product specifications, a large national market etc. Therefore, a representative sample of different GIs/TSGs in the evaluation support study of GI/TSG was worked out and more and less successful GI/TSG were analysed in the evaluation.

#### **(4) Public consultation not representative**

The representativeness of the response to the public consultation is limited as only 233 replies were received. This is a relatively small number compared to the reference population e.g. producers and consumers of GI/TSG products. In addition, some respondents may have answered on the basis of their specific interests and thus do not constitute a representative sample. The Commission has taken this possible limitation into account when analysing the results of the public consultation.

## 5. ANALYSIS AND ANSWERS TO THE EVALUATION QUESTIONS

This section presents the assessment of the performance of the current GI and TSG schemes. The assessment is based on the five evaluation criteria of effectiveness, efficiency, relevance, coherence and EU added value.

### 5.1. Effectiveness

This section evaluates whether the current GI and TSG frameworks have been effective in achieving their objectives. The six main objectives of the schemes are analysed in dedicated sub-sections. Firstly, the impact of the GI and TSG schemes on the functioning of the internal market is assessed (Section 5.1.1). The effectiveness of GI/TSG registration, enforcement and control systems is analysed under the fair competition for farmers and producers (Section 5.1.2), followed by the analysis of the protection of Intellectual Property Rights of GI (Section 5.1.3). The objective of fair return for farmers and producers is assessed in terms of competitive advantage and distribution of benefits along the value chain (Section 5.1.4). This analysis is complemented by measuring the contribution to rural economies in terms of improving incomes of farmers and employment (Section 5.1.5). The fore last point covers the effectiveness of the schemes in providing consumers with clear and reliable information on GI/TSG products (Section 5.1.6). The last section (5.1.7) is on safeguarding traditional methods of production and recipes, and is specific to TSG.

*Figure 10: Overview of effectiveness analysis*



*Source: DG Agriculture and Rural Development*

#### 5.1.1. Integrity of the internal market

Overall, the internal market policy aims to guarantee the free movement of goods, capital, services, and labour within the EU. The total sales value of GI/TSG products

accounted for 7% of total food and drink sales in 2017. GIs/TSGs sales increased by more than 40% between 2010 and 2017<sup>37</sup>.

The overall increase in sales value is partly due to changes that occurred between 2010 and 2017, in particular the accession of Croatia and the inclusion of TSGs and GIs registered in that period, representing overall 21 % of the increase in value. Further, an important increase was observed for French and Italian wines, which, together, represent 30 % of the growth between 2010 and 2017.

National markets were dominant, representing 58% of total sales value in 2017, while intra-EU trade was estimated at 20% (so 78% of GI/TSG trade took place on the EU market). This suggests that the GI and TSG schemes have a positive effect on the internal market by providing a common reference for trade and ensuring the same level of protection and authenticity of the products. It also shows that the framework is effective in enhancing trade in GI products.

The CMO Regulation<sup>38</sup> (for more details Section 5.4.4 *Common Market Organisation*) contains specific provisions allowing for supply management by producers of PDO/PGI cheese and ham<sup>39</sup>. As outlined in Article 150 of the CMO Regulation, producers and groups of operators within the meaning of Article 3(2) of Regulation (EU) 1151/2012 are allowed, under certain conditions and for a limited period of time, to lay down agreements to regulate the supply of PDO/PGI cheeses. The aim of such derogations is to allow the producers to adapt their supply to market demand in order to ensure high quality and added value of the PDO/PGIs in the marketplace, which is particularly important for vulnerable rural regions. By facilitating the recognition of the products' quality as well as by allowing for a certain degree of concentration of supply, farmers bargaining power vis-à-vis processors is strengthened.

### **5.1.2. Fair competition for farmers and producers**

The main objective of the EU competition rules is to enable the proper functioning of the internal market as a key driver for the well-being of EU citizens, businesses and society at large. To this end, the Treaty on the Functioning of the European Union (TFEU) contains rules that aim to prevent restrictions on and distortions of competition in the internal market. In the context of this evaluation, the assessment of this objective comprises of firstly, the analysis of the homogeneity of procedures for registration and secondly, controls among the different Member States. Effective controls at all stages (from farmers to consumers) guarantee that farmers/producers involved in the GI and TSG schemes do not compete on the market with other producers who use the protected names without complying with the GI/TSG rules.

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<sup>37</sup> Based on *Study on economic value of EU quality schemes, geographical indications (GIs) and traditional specialties guaranteed (TSGs)*, AND-I for the DG AGRI, 2019 – [https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/cmef/products-and-markets/economic-value-eu-quality-schemes-geographical-indications-gis-and-traditional-specialties-guaranteed-tsgs\\_en](https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/cmef/products-and-markets/economic-value-eu-quality-schemes-geographical-indications-gis-and-traditional-specialties-guaranteed-tsgs_en)

<sup>38</sup> Regulation (EU) No 1308/2013 establishing a common organisation of the markets for agricultural products.

<sup>39</sup> Articles 150 and 170 of Regulation (EU) No 1308/2013 establishing a common organisation of the markets for agricultural products.

### *Scrutiny conducted at EU and national levels*

As detailed in section 3.2.1 *Application procedure*, a two level procedure applies whereby applications are first sent to the national authorities for a preliminary national procedure. Most Member States have a national framework in place for the implementation of GIs and TSGs. Based on the survey of the national authorities by the external contractor in the context of the evaluation support study on GI/TSG, 22 Member States indicated that national rules were set regarding GIs/TSGs and five indicated that there were no additional rules to the EU ones. The national rules mainly cover procedures for registration, amendment and cancellation.

Procedures at national level differ from one Member State to another. Those with a long tradition of quality schemes tend to have stricter procedures for applications (e.g. additional economic study and involvement of a specific inquiry commission in France, organoleptic assessment for wines in Hungary, double scrutiny at regional and national levels in Spain). These stricter requirements are often balanced by stronger support for producers from the public administration in these Member States.

The evaluations support study on GI/TSG concluded that the legal framework allows a fair competition for farmers and producers involved in GIs/TSGs value chains through the EU level scrutiny of applications which ensures the homogeneity of treatment of the applications submitted by the different Member States. Based on the above, the second level scrutiny at EU level is overall perceived as fair and homogeneous.

### *Organisation of controls and their effectiveness*

As stressed in Section 3.2.2 *Enforcement and Controls*, enforcement and controls are key for the effective implementation of the GI and TSG schemes. The evaluation confirms that the **general organisation and implementation of controls** can be considered effective, with a better effectiveness at the production and processing stages than in the downstream sector. Therefore, the regulatory framework and control procedures provide sufficient guarantees to ensure that farmers and processors involved in GI/TSG schemes enjoy appropriate protection against other producers who use the protected names without complying with these rules or engage in other types of unlawful practices.

According to the survey of national authorities in the context of the evaluation support study on GI/TSG, the average share of operators controlled is higher at the farm and processing stages than at the downstream stages of the value chain (wholesalers and retailers) as detailed below.

Further, the survey of national authorities confirmed that the **frequency of control** at farm stage reaches 100% per year in several Member States for agri-food GI products (71% in the wine sector). However, it remains very limited in other Member States with rates as low as 0.6% for agri-food GI products and 5% in the wine sector. At processing stage, the frequency of control ranges from 25% up to 100% per year for all products, while at wholesale stage and retail stage the frequency of controls ranges between 0 and 35% in most cases. Only one Member State provided data for online sales, with a 5% frequency of control.

Regarding the **effectiveness of controls**, the evaluation support study on GI/TSG underlines that the controls are effective, with better effective controls in the upstream sector. The lower effectiveness at downstream stages relates to the large number of

stakeholders involved (any retailer or restaurant can use any GI/TSG product). This is confirmed by the case studies and the producer groups' survey, in which 85% of the respondents considered that controls at farm and processing stage to be as effective, while 48% felt the same about the wholesale stage controls. This lower level of confidence in the controls is observed at all stages of the downstream sector.

**Table 2. Effectiveness of controls on GIs/TSGs – national authorities' opinion**

	Completely agree	Somewhat agree	Neutral	Somewhat disagree	Completely disagree
Production stage	60%	36%	4%	0%	0%
Processor stage	52%	48%	0%	0%	0%
Wholesale stage	22%	48%	26%	4%	0%
Retailer stage	33%	50%	13%	4%	0%
Online sales	23%	32%	23%	18%	5%

Source: Evaluation support study on GI/TSG (based on the survey of national authorities)

National authorities agreed that, in general, controls are completely or somewhat effective but they underlined the limits of controls on GIs and TSGs for online sales. 18% of the national authorities had no opinion on the effectiveness of controls on online sales.

To respond to enforcement authorities' and producers' clear need for better and easier access to GI information, the Giview portal<sup>40</sup> was launched in November 2020. With entries for all GIs protected in the EU<sup>41</sup>, its main purpose is to enhance transparency, ensure the public availability of information, and improve the enforcement of IPR. It will also give GI representatives access to the EU's Intellectual Property Enforcement Portal (IPEP), enabling them *inter alia* to file a customs application for action (AFA) and have direct contact with anti-fraud authorities, customs and police.

In summary, the general organisation and implementation of controls ensure sufficient protection of intellectual property rights, with particular shortcomings as regards the downstream sector and on-line sales.

### 5.1.3. Protection of intellectual property right

In general, intellectual property includes all exclusive rights to intellectual creations, e.g. trade marks, patents, copyright etc. In this context, GIs identify a product and indicate its territorial origin based on which the right is granted, justified on 1) the distinctive qualities or 2) the reputation of the product bearing the GI, both linked to the said territory. An important feature of the GI scheme is that it confers a collective form of Intellectual Property Right (IPR), granting the right to producers in a defined geographical area to use the registered name if they comply with a product specification. This feature is different to trade marks in general as the latter gives an exclusive right to the owner.

<sup>40</sup> <https://www.tmdn.org/giview/>

<sup>41</sup> Including GIs protected under the bilateral agreements, which are not included in the EU GI register.

The EU regulatory framework<sup>42</sup> is intended to provide protection against fraud, counterfeits, and deceiving practices. Names of products registered as GIs at EU level are legally protected against (i) use for identical and comparable products, (ii) use for non-comparable products that exploits the reputation of the GI, (iii) evocation, misuse and imitation on products or services and (iv) any other misleading indication and misleading practices<sup>43</sup>. Furthermore, GI names are protected *ex officio*. This implies that Member States shall take appropriate administrative and judicial steps to prevent or stop the unlawful use of the registered names of products that are produced or marketed in the Member States. Therefore, EU legislation provides for a high level of GIs names protection.

### **Controls and enforcement of GI rights, including internet and E-commerce**

For GI names to benefit from the high level of legal protection, a robust control and enforcement system must be in place across the EU. While the general rules of such a system are set out in the EU legislation, the organisation and implementation falls within the Member States remit. Consequently, various systems are being implemented among the Member States.

As regards the types of non-conformity, the national authority survey suggests that most common infringements detected differ largely depending on the types of products covered. Main infringements reported concern: the rules of production for agricultural products and foodstuffs; the misuse of protected names for the wines and aromatised wine products; the labelling requirements for spirit drinks and aromatised wine products.

Although analysis from the evaluation support study on GI/TSG found that, in general, control procedures are effectively implemented, some weaknesses were identified pointing to lower effectiveness of the controls in the market compared to upstream stages including export markets and online sales (see section 5.1.2).

The following reasons were identified for this lower effectiveness:

- Large number of operators at downstream levels (retailers, wholesale, etc...) and a decrease in the share of operators controlled at these downstream stages
- Difficulties in carrying out efficient controls on online sales.

GIs are vulnerable to mis-selling, in particular on online marketplaces to which EU consumers have ready access. According to a [2016 study](#)<sup>44</sup>, the EU GI infringement market totalled approximately EUR 4.3 billion in 2014, accounting for 9% of the total EU GI product market for that year. EU consumers are directly impacted with a damage of EUR 2.3 billion per year. The same report cites French control data infringements per type of retailer that indicate that the scale of infringement via the internet is double the average.

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<sup>42</sup> Official Control Regulation (OCR) (EU) No 2017/625 and the Directive on Enforcement of Intellectual Property Rights (IPRED) 2004/48/EC and the four sectorial legislations on GIs

<sup>43</sup> Article 13 (1) of Regulation (EU) No 1151/2012; article 103 (2) of Regulation (EU) No 1308/2013; Article 16 of Regulation 110/2008; Article 20 (2) of Regulation 231/2014.

<sup>44</sup> Infringement of protected geographical indications for wine, spirits, agricultural products and foodstuffs in the European Union, EUIPO Study, April 2016

The implementation of official controls and enforcement of GI rights allow for a good level of protection against misuses of GI names at EU level. The assessment in the evaluation support study on GI/TSG also revealed, based on the producer group survey, that controls at market stage are more effective in the Member States of production than on intra- and extra-EU markets.

EU law covers the misuse of protected names on the internet, this protection focuses on "commercial use" and "comparative" or "misleading advertising", but not on the registration of a domain name<sup>45</sup>. Domain names that are identical or similar to GIs are mostly registered without any recognition of prior GI rights and can work to the detriment of both consumers and producers.

In 2011, the Internet Corporation for Assigned Names and Numbers (ICANN) which is in charge of the management of the domain name system (DNS)<sup>46</sup> decided to increase the possible number of domain names, thus allowing for extensions such as “.wine”, “.beer” or even “.champagne”. However, GIs are not considered as a valid IPR title by the Uniform Domain-Name Dispute-Resolution Policy (UDRP) which rules disputes on domain names; by contrast UDRP considers the Intellectual Property Rights (IPR) as trade marks. As a result, the enforcement of IPR for GIs is weakened on the internet. The case of Champagne vs Steven Vickers (WIPO Case No. DCO2011-0026) illustrates that the status of a GI was not sufficient to prevent the registration of the domain “champagne.co”<sup>47</sup>.

In conclusion, as regards the protection of the IPR, the evaluation confirms that GI names benefit from a high level of legal protection in the EU. The effectiveness of the organisation and implementation of controls in the Member States ensures a good level of protection against misuses of GIs names. However, differences in implementation may cause difficulties when it comes to enforcing producers’ IPR outside the Member State of production. In addition, GIs and TSGs cover a wide range of products and are sold through various outlets (including online), which further hampers their effective protection. Desk research produced limited information on controls on GI/TSG products sold online. To conclude, the enforcement of IPR and use of GI names in domain names on the internet remains an issue. Improved use of digital tools could facilitate the control procedures (e.g. automatic registration following the validation of applications, online platform to follow-up the application process).<sup>48</sup>

#### **5.1.4. Fair return for farmers and producers**

Article 39 of Treaty on the Functioning of the European Union (TFEU) sets out the specific objectives of the CAP. One of the objectives is to ensure a fair standard of living

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<sup>45</sup> Comment from the EU on question 3 from Compilation of the replies to questionnaire II on use/misuse of geographical indications, country names and geographical terms on the internet and in the DNS, October 19, 2018, WIPO - [https://www.wipo.int/edocs/mdocs/sct/en/sct\\_40/sct\\_40\\_6\\_prov\\_2.pdf](https://www.wipo.int/edocs/mdocs/sct/en/sct_40/sct_40_6_prov_2.pdf)

<sup>46</sup> ICANN particularly manages generic Top-Level Domain (gTLD) (such as “.com”, “.org”,...) and country code (cc) TLD system (such as “.fr”, “.it”,...)

<sup>47</sup> [https://www.wipo.int/edocs/mdocs/sct/en/sct\\_is\\_geo\\_ge\\_19/sct\\_is\\_geo\\_ge\\_19\\_p3.pdf](https://www.wipo.int/edocs/mdocs/sct/en/sct_is_geo_ge_19/sct_is_geo_ge_19_p3.pdf) and [https://www.dpf-law.com/wp-content/uploads/2014/03/GI\\_gTLDs\\_JAN2016\\_WEB\\_VERSION.pdf](https://www.dpf-law.com/wp-content/uploads/2014/03/GI_gTLDs_JAN2016_WEB_VERSION.pdf)

<sup>48</sup> Evaluation support study on GI/TSG

for farmers. This objective is also reflected in the objectives of the GI and TSG schemes - the fair return for farmers. This evaluation assesses whether the schemes give farmers and producers a competitive advantage and how benefits are distributed along the value chain.

In general a competitive advantage is a favourable market position that can provide a business with more customers and higher profits. It is the basis on which the brand, product or service is perceived as superior to its competitors. This evaluation measures competitive advantage in terms of (i) a possible price premium, (ii) profitability, (iii) price stability and (iv) other assets such as the relationship between GI and tourism.

### **Price premium**

Both the evaluation support study on GI/TSG (based on case studies, a survey of producer groups, and desk research) and the study on the economic value of EU quality schemes, found evidence of a price premium<sup>49</sup> for GIs and TSGs. As indicated in Section 3.2, the average value premium rate<sup>50</sup> for GI products in 2017 was estimated at 2.07, i.e. on average the sales value of GI/TSG products was 2.07 times higher than that of comparable non-GI/TSG products.<sup>51</sup> The analysis has some limitations, as several external factors might also contribute to the price differences, depending on the product<sup>52</sup>.

While the level of price premium may vary significantly from one product to another depending on economic environment of the product, the sector and Member State, as well as the strategy implemented by operators, the producer group survey found that GI registration is considered to result in an improvement of prices at final product stage (for 56% of the respondents) and at agricultural stage (for 55% of respondents). Case studies and desk research indicated that, in over half the cases analysed, the stakeholders received higher income from GI value chains than from non-GI value chains. While a price premium does not necessarily mean a higher profitability, it can lead to higher margins or a better commercial position. In particular, the price premium may cover the extra expenses linked to specific production methods, and the quality (resulting from the extra expenses), as authenticated through the protection of the name, allows producers to enter new markets.

A price premium confers a competitive advantage, as it allows GI/TSG producers to cover the extra costs, involved in ensuring the quality level and complying with the GI/TSG specifications. Even if the price premium only covers the extra costs, the

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<sup>49</sup> A price premium calculation: the price of each GI/TSG product is matched to the price of a similar product without a GI/TSG label (i.e. standard products)

<sup>50</sup> A value premium rate is the aggregation of the price premium of each GI, weighted by the volume marketed

<sup>51</sup> Study on economic value of EU quality schemes, geographical indications (GIs) and traditional specialities guaranteed (TSGs) <https://op.europa.eu/en/publication-detail/-/publication/a7281794-7ebe-11ea-aea8-01aa75ed71a1>

<sup>52</sup> Further research into such factors was not part of the study.

competitive advantage also opens up the sales opportunities that come from having a differentiated product (mid-range or high-end products) on the market.

### **Profitability**

The evaluation support study on GI/TSG found a clear positive association (or correlation) between GIs and farmers' and processors' profitability<sup>53</sup> in some Member States (Italy, Spain and Portugal) and a less clear link in others (Bulgaria and Greece) based on the FADN data analysis<sup>54</sup>. For example, GI farms tend to provide more output per hectare and more farm net income/hectare regardless of the size of the farm. This difference is further accentuated as farms get larger<sup>55</sup>.

However, this positive impact on income is not systematic, as it covers 52% of GI/TSG farmers and 54% of GI/TSG processors according to the survey of producer groups and about half the GIs/TSGs covered by case studies in the context of the evaluation support study on GI/TSG.

### **Price Stability**

Analysis<sup>56</sup> shows a lower price variability for GI products overall (as compared with non-GI products), even if this is not observed for all GIs. This relative stability could be the consequence of a policy of long-term contracts that can guarantee price levels between producers and downstream operators. For instance the producer group managing the PGI *Pays d'Oc* referred to a policy of promoting long-term contracts between wine producers and large-scale companies that own trade marks.

Multi-annual contracts ensure a stable income for producers and avoid difficulties linked to the impact on production of possible weather events. In the case of PDO *Ribera del Duero*, long-term contracts between grape producers and winemakers are promoted as a means of guaranteeing certain benefits. Similarly, the PDO *Basilico Genovese* producer group explains how producers have contracted with the downstream sector to guarantee a price level for a given volume. Operators producing PDO *Jabugo* point out that prices of PDO hams are more stable than those for comparable non-PDO products. *Côtes du Rhône* stakeholders regard long-term contracts as a better way of developing the value chain, although their full potential has yet to be exploited<sup>57</sup>.

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<sup>53</sup> Profitability refers to a positive net income of the producer, i.e. the ability of it to use its resources to generate revenues in excess of its expenses. In the context of this evaluation it was measured based on FADN data e.g. output/hectare, farm net income/hectare, farm net income/outcome, labour input/hectare

<sup>54</sup> The analysis aimed at comparing sample of wine farms which do not produce GI grapes or/and wine and with the wine farms which produce GI wines. The analysis was carried out in seven Member States: Bulgaria, Greece, Spain, Hungary, Italy, Portugal and Romania. The median was used for comparison instead of the mean as the distribution of the ratios analysed are highly skewed

<sup>55</sup> Based on the finding of the case studies (covering seven Member States) conducted in the context of the evaluation support study on GI/TSG

<sup>56</sup> FADN analysis, the survey of the producer groups, case studies and desk research

<sup>57</sup> Evaluation support study on GIs/TSGs.

Long-term contracts are not always considered advantageous for all operators in the supply chain. In Hungary, producers of *Pálinka* indicated that long-term contracts between distillers and fruit producers are not common. Fruit production can vary significantly from year to year as a consequence of climate hazard and fruit tree production cycles. In a context of low seasonal production, producers can get a better return by selling to the fresh sector.

Several studies across sectors and Member States provide proof of the price stability associated with EU quality schemes<sup>58</sup>. However, the limited price volatility does not apply for all GI products – for some, prices follow those for the non-GI counterpart product.

### **Other benefits/assets (tourism attractiveness)**

Other benefits of the GI and TSG schemes include the **diversification** of on-farm activity, e.g. processing (cheese making, etc.), new types of sale (direct sales, e-sales) and/or agri-tourism.

The main benefit is greater **attractiveness for tourists**. A particular illustration of this is the development of ‘oenotourism’ in wine-growing areas, due to the image of well-known wines and their strong regional identities. GIs have contributed to the emergence of designated routes for tourists, gastronomy tours and farmhouse services. Their synergies with tourism have been highlighted in case studies for *Ribera del Duero*, *Côtes du Rhône*, *Langhe*, *Pays d’Oc* and *Tokaj/Tokaji*. In 2001, UNESCO recognised the *Tokaj* region as a ‘world heritage’ landscape<sup>59</sup>.

The strong connections between GIs and tourism apply in other sectors. The farms producing PDO *Beaufort* cheese sell 20% of their produce through direct sales and contribute to the local tourism infrastructure by preserving the natural landscape and ski slopes through high mountain grazing. However, a study<sup>60</sup> has found that the presence of PDO cheeses in the northern French Alps does not seem to lead the farms to participate directly in tourist activities. In this case, the PDO registration stimulates tourism, but the benefits are mostly enjoyed by non-farmers.

The potential benefits of GIs for tourism are restricted to some products and geographical areas. Operators also explained that a GI in itself is not always a driver for tourism or other indirect benefits such as on-farm processing or direct sales. Case studies in the context of the evaluation support study on GI/TSG showed that this is in particular the case for PDO *Gouda Holland*, PDO *Basilico Genovese* and GI *Pálinka*.

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<sup>58</sup> *Les AOP, un atout pour la filière lait en zone de plaine*, Observatoire des SIQO, Bourgogne-Franche-Comté, Agreste (2020); *Price volatility and European food quality schemes*, Strength2Food (2018); *Dynamique des AOP laitières*, FranceAgriMer (2016); H. Ferrer-Pérez, F. Abdelradi, J. M. Gil, *Geographical indications and price volatility dynamics of lamb prices in Spain*, Multidisciplinary Digital Publishing Institute (2020); *IPPAP: Indice des prix à la production agricole*, Agreste.

<sup>59</sup> Evaluation support study on GI/TSG

<sup>60</sup> Hauwuy *et al.* (2006), from *The effects of protecting geographical indication*, Swiss Federal Institute of Intellectual Property (2011).

## Distribution of benefits along the value chain

This topic refers to the distribution of the value created by the GIs and TSGs along the marketing chain between farmers, processors, wholesalers, and retailers. A fairer distribution results from a better balanced bargaining power (the ability for an economic actor to discuss the price and commercial conditions) between all stakeholders, especially a reinforcement of the farmers' position with less power towards the mass retailing companies.

An increase of bargaining power for the upstream sector may be observed because of the implementation of the GI/TSG schemes, but this is not systematic. Case studies and desk research in the context of the evaluation support study on GI/TSG indicate that this depends on the organisation of the supply chain and the importance of the specifications at farm stage. If quality and volume<sup>61</sup> are controlled, the bargaining power of upstream actors (farmers and/or processors) tends to be stabilised or increased. In some cases, processors concentrate the economic benefits while retailers or tourism operators do not get extra profits for instance in case of PDO *Jabugo*. While in other cases, exporting companies get a larger benefit as the GI/TSG labels offer opportunities on the intra-EU and extra-EU markets, according to operators involved in the production of PDO *Tokaj/Tokaji* and PGI *Bayerisches Bier*. Advantages are not only about better prices: they may involve better access to new markets, price and volume stability, long-term perspectives and the ability to choose one market over another (e.g. direct sales, large-scale retail, specialised channels or exports).

**Table 3. Distribution of benefits according to the evaluation support study- case studies**

Products	Type of product	Scheme	Comment on the distribution of benefits along the supply chain
Spišské párky	Sausages	TSG	No information
Salate von der Insel Reichenau, Feldsalat von der Insel Reichenau, Tomaten von der Insel Reichenau, Gurken von der Insel Reichenau	Vegetables (salad, tomatoes, cucumbers)	PGI	No significant benefits along the supply chain.
Jabugo	Ham	PDO	Processing stage is the first stage to take benefits from the PDO scheme. The distribution of benefits does not fully transfer along the supply chain, at the expense of farmers
Ribera del Duero	Wine	PDO	The benefits are concentrated for the profit of winegrowers
Cordero Manchego	Lamb	PGI	The distribution of benefits along the value chain is considered fair by stakeholders, from farmers to trade operators
Beaufort	Cheese	PDO	Both farmers and cheese producers benefit from being involved in the Beaufort PDO scheme. No data has been collected among wholesalers and retailers.
Cote du Rhône	Wine	PDO	Benefits are shared among the different stages of the value chain

<sup>61</sup> For instance in case of PDO Opperdoezer Ronde

Pays d'Oc	Wine	PGI	Producers benefit from higher prices than other PGIs and access to an important and growing market. Operators take benefit from long term contracts and guarantee of quality.
Tokaj/Tokaji	Wine	PDO	Export operators tend to take a better benefit from the PDO scheme, with a higher demand and higher prices
Dauno	Olive Oil	PDO	Benefits of the PDO tend to be concentrated at the processing/bottling level dealing with important volumes
Speck Alto Adige/Südtiroler Markenspeck/Südtiroler Speck	Ham	PGI	The PGI does not cover agricultural stage.
Basilico Genovese	Basil	PDO	The higher price obtained from the PDO product is directly absorbed by the primary producers, as basil is sold fresh.
Langhe	Wine	PDO	Benefits are concentrated for small/medium size companies, covering all stages of the supply chain
Gouda Holland	Cheese	PGI	No information
Bayerisches Bier	Beer	PGI	The main benefit of the GI scheme is observed for operators involved in the export markets, especially on the extra-EU markets.

Source: Evaluation support study on GI/TSG

The **involvement of the agricultural stage** in the GI/TSG value chain is crucial for the farmers' bargaining power. Involvement of farmers is stronger for PDOs as all production stages must take place in the demarcated area. This also covers 78% of the PGIs in the agri-food sector and 61% of the GIs in the spirit drinks sector. This suggests that GIs/TSGs are strong drivers for implementing frameworks where farmers can increase their bargaining power.

However, the evaluation also found that the structure and roles of the **GI producer groups** and the tasks they are entitled to conduct differ widely between sectors and Member States. Applicants' (producer groups') role in the application for registration is laid down in the Regulations on GIs/TSGs. Their role in the management of the scheme is not set out at EU level in the case of wines, aromatised wine products and spirit drinks, although it is in the case of agri-food products.

GI producer groups play an essential role in applying to register a GI, proposing amendments to the product specifications and submitting cancellation requests. However, not all GIs are systematically managed by structured producer groups. In practice, producers join forces as a group to submit the application to register a GI, but they often stop acting together when it comes to marketing the product or enforcing the GI rights. While coherent, enduring groups are well established in some Member States, few GIs are managed by such groups in many Member States.

Case studies in the context of the evaluation support study on GI/TSG confirm that specific additional rules may exist at national level (Spain, Italy, France), while in other Member States, involvement of producer groups in managing their GI is not regulated (Hungary, Netherlands). Some Member States have governance structures in place for producer groups, but this is not common. For instance, in France both producer groups and Interbranch organisations, composed of vine growers and wine processors (co-operatives, wholesalers), play a strong role in the governance of PDO wines.

Of the 230 respondents to the public consultation, 70% agreed that the EU quality schemes meet their objectives as regards helping to strengthen producers' position in the value chain and protecting/enforcing their rights.

It would therefore, appear that the benefits for farmers and producers depend strongly on the implementation of the GI/TSG, the target market and the role of producer groups.

### **5.1.5. Contribution to rural economies**

This section assesses the extent to which GIs and TSGs have contributed to the development of rural economies, in terms of improving farm incomes and employment. Rural areas account for half of Europe's surface area and around 20% of its population<sup>62</sup>. Rural economies are diverse, involving many different industries (agriculture, food processing, tourism, services, etc.). In particular, the agri-food sector is key for the development of rural areas.

#### **Farmers' income**

Farmers' incomes consist of the difference between expenses linked to production and receipts from the outputs (sales, services provided). At farm level, beyond a higher income, greater income stability is also seen as an improvement. As explained in Section 5.1.4. Fair return for the farmers and producers, GI farms often generate a better income than non-GI farms. However, this advantage does not apply to all GIs and TSGs, as demonstrated by the producer group survey, FADN analysis in the wine sector, case studies and desk research. The producer group survey indicated that 52% of producers generally consider the GI and TSG schemes to be drivers of better incomes at farm stage, and 54% at processing stage.

#### **Employment in rural areas**

Analysis of Eurostat data on the food and drink industry and the study on the economic value of EU quality schemes indicate that sales of GI products have grown faster than sales in the food and drink industry as a whole, which has led to more job growth in the GI segment. Although the analysis could not distinguish rural employment from total employment, it can be assumed that employment at agricultural (production) stage is almost exclusively in rural areas in most Member States.

Based on the cases analyzed in the context of the evaluation support study on GI/TSG (25 cases studies in e.g. Poland, Spain, Italy), GI schemes generally stimulates employment<sup>63</sup>.

French and Spanish cases indicate that the number of farms and processing companies involved in the GI supply chain has increased, resulting in turn in more jobs in the areas of GI production. Therefore, it can be concluded that GI production plays a positive role in local employment.

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<sup>62</sup> [https://ec.europa.eu/regional\\_policy/en/policy/themes/rural-development/](https://ec.europa.eu/regional_policy/en/policy/themes/rural-development/)

<sup>63</sup> Measured in "turnover to labour" – value created for each working hour, this may result of higher physical yields, higher selling prices or both; and "labour use ratio" or "labour-to-production- ratio" – related to physical productivity: it compares the quantity of work needed for one tonne of product.

A lack of evidence prevents us from drawing conclusions as regards TSG.

This analysis is complemented by the findings of the JRC Technical Report “Causal estimates of Geographical Indications' effects on territorial development: feasibility and application”<sup>64</sup>. The report proposes a quantitative approach for estimating the causal impacts of GIs policy on territorial development. When applying the approach to yearly data on registered products and the territorial development of municipalities in Portugal, the report finds a substantial contribution from the GIs policy to territorial development. In particular, it identifies a significant positive impact of the number of registered GI products on agricultural Gross Value Added, agricultural employment and the number of firms in agriculture in Portuguese municipalities over the period 2004 to 2018. This effect is most significant for the number of registered food names (relating to wines and spirit drinks)<sup>65</sup> and for rural areas. No statistically significant impact (measured by turnover per employee) was found on labour productivity in the agricultural sector.

In summary, the analysis suggests that GI farms' incomes are better than non-GI farms; although the benefits of GI/TSG schemes are far from being systematic. Further, GIs have a positive impact on employment in several cases.

#### **5.1.6. Clear and reliable information on the product to consumers**

This section examines how effective the GI and TSG schemes have been in providing consumers with clear and reliable information.

The following terms are used in this section: “awareness”, “perception” and “understanding”. Awareness is the extent to which stakeholders have knowledge of the existence of the schemes or designations, it may cover the indication (for instance “protected designation of origin”), the acronym (e.g. “PDO”), the symbols and the protected name (e.g. “Parmigiano Reggiano”). Perception relates to the attributes that stakeholders associate with schemes or products (guarantees of traceability, tradition, etc.). Understanding is the extent to which the perception of stakeholders matches the actual guarantees provided by the schemes.

#### **Knowledge and understanding of GI/TSG by consumers**

A consumer survey and desk research conducted in the context of the evaluation show that awareness of EU quality schemes (indications, acronyms and symbols) differs widely across Member States. It is higher in Member States with well-established

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<sup>64</sup> [Causal estimates of Geographical Indications' effects on territorial development: feasibility and application | Knowledge for policy \(europa.eu\)](#)

<sup>65</sup> Overall, in Portugal, in 2018, 190 products were registered under GIs, of which 40 wines, 139 foods and 11 spirit drinks. Most of the variation exploited when looking at the effect of wines comes from municipalities registering the 1<sup>st</sup> product, while most of the variation exploited when estimating the effect of foods comes from municipalities registering the *n*<sup>th</sup> (where *n* is higher than 1) product. The positive effect of registering one additional product on the agricultural sector might be stronger when the municipality is already producing a number of GIs and has already developed the means to get higher value from registered products (e.g. products' promotion activities, etc.). This might explain in part why the analysis identified a more significant impact of newly registered food names.

GI/TSG schemes and numerous protected names (e.g. Italy, France and Spain), but in most Member States generally lower than recognition of national/regional schemes.

Recent data from a Eurobarometer Survey<sup>66</sup> confirms that public awareness of EU quality logos is relatively low: 20% for the PGI logo (up 2 percentage points since 2017<sup>67</sup>), 14% for the PDO logo (down 4 pp) and 14% for the TSG logo (down 1 pp). In addition, 20% of those surveyed were not familiar with any of the logos. Furthermore, final consumers may confuse the different labels: 40% did not see a difference between PDO and PGI and 34% between PGI and TSG.

Based on the consumer survey in the context of the evaluation support study of GI/TSG, consumers who are aware of the GI and TSG schemes tend to understand the following key features:

59% associate TSGs with a “traditional product” (34% for PDO and 29% for PGIs); and respectively 51% and 57% associate PDOs and PGIs with a “link to a geographical area”.

However, consumers do not fully understand their meaning:

32% associate TSG with a specific area of production (while there is no defined geographical area for TSGs); only 22% to 24% associate PGIs and PDOs with a specific know-how (36% for TSGs); and only 33% associate PGIs with a guarantee as regards methods of production (41% for both PDOs and TSGs).

A survey in the framework of the evaluation support study on CAP measures in the wine sector<sup>68</sup> highlighted a knowledge deficit among EU consumers (in France, Germany, Spain and the UK) with regard to the PDO/PGI scheme applying to wine. Only a few respondents knew the PDO/PGI labels and were aware that wines with a PDO/PGI designation display specific characteristics. PDO/PGI labels are thus less well known than the ‘organic farming’ label. Levels of knowledge differed significantly between the net importer Member States (Germany and the UK), where only 14% of respondents knew the PDO label and 19% the PGI label, and Member States with large GI production (France and Spain), where 31% knew the former and 48% the latter.

In addition, the public consultation included questions on the recognition and meaning of the symbols for the three EU quality schemes (PGI/GI, PDO and TSG). 60% of the 230 respondents agreed that the visual presentation is generally clear enough to distinguish PDO and PGI/GI symbols/schemes. However, it was felt that the visual difference between the PGI/GI and TSG symbols is less clear.

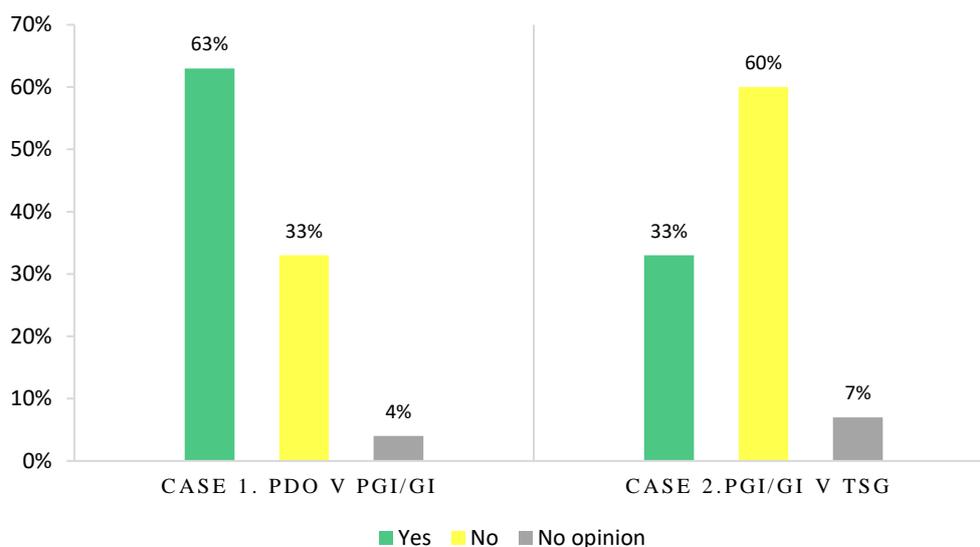
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<sup>66</sup> Special Eurobarometer 504 “Europeans, Agriculture and the CAP” published in October 2020 (fieldwork in August and September 2020)

<sup>67</sup> Previous survey on this topic (December 2017);  
<https://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/Survey/getSurveyDetail/instruments/SPECIAL/surveyKy/2161>

<sup>68</sup> Evaluation support study on CAP measures applied to the wine sector;  
<https://op.europa.eu/en/publication-detail/-/publication/21c4fc5f-5064-11e9-a8ed-01aa75ed71a1>

**Figure 11: Recognition of EU quality schemes' symbols- respondents ability distinguish between PDO and PGI/GI symbols / schemes (in %)**



Source: Public consultation

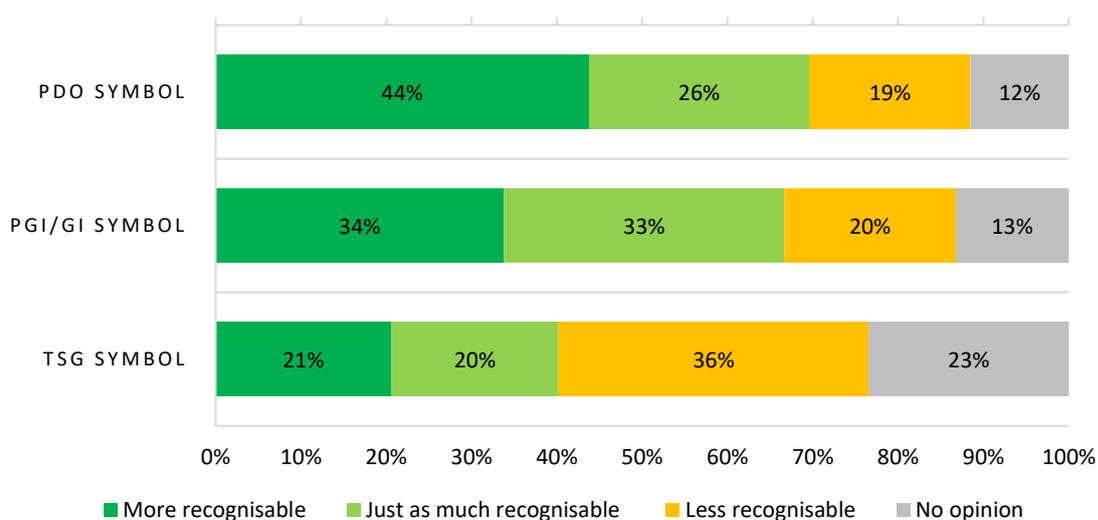
As regards the significance of EU quality schemes, the respondents of the public consultation most often interpreted them with the following aspects:

- the product is entirely produced in one specific geographical area;
- the quality of the product stems from its traditional methods of production and/or recipes;
- the product is produced according to an established specification; and/or
- the quality of the product is certified by a control body

Further, respondents were asked to compare the symbols with national/regional food quality logos. Over 44% of the 95 respondents found the PDO symbol more recognisable (a higher rate than for the PGI/GI and TSG symbols).

The Impact Assessment report on the revision of GIs and TSGs will look at different options for addressing these findings on effectiveness e.g. additional communication and information actions, guidelines, changes to the use of the logos etc.

**Figure 12: Recognition of EU schemes' symbols vs. national/regional schemes' logos by the respondents (in %)**



Source: Public consultation

### Relevant and sufficient information for consumers

Vast information regarding the characteristics of GIs and TSGs is available for consumers at EU and national level, mainly on the web:

- information on the Europa webpage<sup>69</sup>;
- list of protected denominations and link to their product specifications available in the EU register (eAmbrosia)<sup>70</sup>;
- GIView<sup>71</sup>, an interface portal on GIs containing official registered data and extended data;
- the Italian authorities display information about Italian GIs on their webpage; selected information on the Italian websites Qualigeo / Qualivita;
- French GIs/TSGs are presented on the website of the *Institut national de l'origine et de la qualité* (INAO) ;
- the Spanish authorities display very precise qualitative and quantitative data on Spanish GIs/TSGs<sup>72</sup>;
- many other Member States have dedicated webpages; and
- based on the survey of producer groups, 82% of them have created websites to present and promote their GIs.

<sup>69</sup> [https://ec.europa.eu/info/food-farming-fisheries/food-safety-and-quality/certification/quality-labels/quality-schemes-explained\\_en](https://ec.europa.eu/info/food-farming-fisheries/food-safety-and-quality/certification/quality-labels/quality-schemes-explained_en)

<sup>70</sup> <https://ec.europa.eu/info/food-farming-fisheries/food-safety-and-quality/certification/quality-labels/geographical-indications-register/>

<sup>71</sup> <https://www.tmdn.org/giview/>

<sup>72</sup> <https://www.mapa.gob.es/es/alimentacion/temas/calidad-diferenciada/dop-igp/Default.aspx>

The above sites provide information on:

- the characteristics of the products: added value, appearance, flavour, and (in some cases) chemical content of the product;
- the origin of the product (for GIs);
- the history of the product; and
- the group in charge of managing GI or TSG.

The public availability of such a wide range of information at EU and national level shows its importance and covers various aspects of the GI and TSG schemes (detailed explanation of origin where relevant, inherent characteristics of products, processing methods, etc.). In addition, producer groups provide complementary information through communication actions (websites, fairs, etc.) that account for a substantial part of their budget.

In the public consultation, 72% of the 230 respondents agreed that the schemes provide consumers with useful information about the geographical origin and specific characteristics of products (about 20% disagreed).

Based on the above, a large amount of information is available for consumers on GI/TSG products' history, origin, inherent characteristics and processing methods (based on desk research). However, the effectiveness and relevance of the communication method is questionable, as awareness and understanding of EU schemes and logos remain limited.

#### **5.1.7. Safeguarding traditional methods of production and recipes**

The TSG scheme aims to provide producers with a tool to communicate effectively the quality and value-adding characteristics of their products, improve consumer protection and raise awareness of the nature and characteristics of the products purchased.

However, uptake of the TSG scheme has been low, with only 64 names registered as of January 2021.

The main obstacle to the scheme's success concerns producers' perceptions of the lack of added value of registering a TSG, due to a combination of factors:

- ✘ low consumer awareness of TSG products;
- ✘ the complex system (similar procedures as for GIs); and
- ✘ lack of IPR protection – operators from other regions can use the name as long as they comply with the product specifications.

While GI producers have access to the enforcement tools available to all IPR products on the internal market, this is not the case for TSG producers. Moreover, the absence of a link to the territory for TSGs, and the related fact that the products can be produced in several Member States, may make it difficult for national control bodies to carry out controls as there might be confusion as to which competent authority is responsible.

## 5.2. Efficiency

The evaluation found that the framework for GIs and TSGs is regarded as efficient, when weighing the benefits against the costs borne by private stakeholders and public bodies.

The overall **costs for public (national and EU) authorities** relating to the management and control of GIs/TSGs are estimated at EUR 93 million per year for all GIs at EU 28 level; this accounts for 0.12% of GIs/TSGs sales value. Based on data from three big Member States, around 80% work on control and 15% on the management of the schemes.

As regards **costs at EU level**, the average registration or major amendment of a file costs an estimated EUR 33 500 (this includes administration, translation of files, letters and decisions/regulations, scrutiny and cross-checks, and internal consultations in the Commission). The average costs of a minor amendment for agri-food products and a standard amendment for wine are estimated at EUR 19 500 and EUR 26 600 respectively.

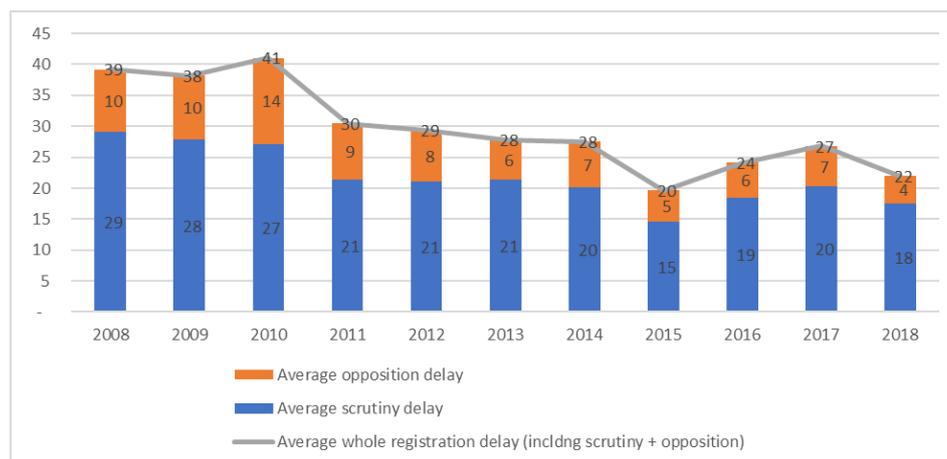
The direct **costs for producer groups**, in particular for management of the scheme and its control are estimated to reach 49% of the total budget of producer groups representing on average 0.5% of the total sales value of the GI/TSG concerned. A lower efficiency can be observed for the smallest GIs/TSGs (sales value of less than EUR 1 million) with producer groups' costs accounting for 5% of sales value.

At the level of individual **operators**, the share of direct costs relating to the schemes seems to be limited in most cases, varying between 0.57% and 2.27% of the total sales value. However, due to natural constraints and strict specifications rules, additional costs for producers appear to be higher than for processors. The costs for operators as a proportion of their total operating costs was not analysed due to a lack of data.

To conclude, the evaluation shows that actual costs relating to registration procedures remain fairly low compared to the sales value of GI/TSG products. No analysis was carried out on the minimum efficient scale for very small-scale GI production.

**Hassle costs** related to the length of procedures also occur with the registration procedure and were mentioned as the main source of administrative burden. In 2018 at **EU level**, the largest share of the procedure duration was related to scrutiny (17.5 months) and opposition procedure (4.4 months). While the regulatory framework provides deadlines for the scrutiny of applications and opposition procedures conducted at EU level – 6 months deadline for the first round of scrutiny at EU level – several rounds of comments and requests for revisions are possible. Within this time period, documents are also translated (file, letter, publication for opposition, registration regulation). Opposition procedures should last respectively 2 and 3 months for wine and for other products if no opposition is lodged. If no further explanation is requested by the EU and if no opposition is lodged, the best timeframe to process a registration at EU level would reach 8 months for wine and 9 months for other products. The picture is similar for amendment procedures, the length of which is identified as the main issue (for the same reasons as for the registration procedure).

**Figure 13. Average duration of scrutiny and opposition procedures at EU level between 2008 and 2018 in months**



Source: Evaluation support study on GI/TSG

While no quantitative data was available to assess the average duration of the registration procedure at national level, from interviews with producer groups, it seems that the whole registration procedure (at Member State and EU level) varies from 1 to 10 years (including an opposition notice) with an estimated average of 5 to 6 years. Given that the registration procedure at EU level takes 22 months on average, this implies a duration of the **procedure at national level** between 38 months (3.2 years) and 50 months (4.2 years). Desk analysis confirms these figures. For instance, in France, a study on fruit and vegetables<sup>73</sup> showed that the preliminary national scrutiny procedures, from the filing of the application to the vote by the national committee, lasted at least three years for PGI applications and five years for PDO applications.

At **EU level**, procedures lasted 22 months on average in 2018, down by 44 % from 2008. While scrutiny of an application is essential, besides ensuring compliance with the product specification to achieve the objectives of the scheme, some areas of potential simplification could be explored, such as:

- a clearer distinction between minor and major amendments and a simplified procedure for minor amendments in the agri-food sector (similar to that for wines and spirit drinks);
- harmonised procedures and controls at EU level;
- improved skills and availability of staff at Member State level; and
- better use of digital means to facilitate the procedures<sup>74</sup>

The 2021-2027 CAP reform includes provisions aimed at streamlining the procedures for the agri-food sector; this would help reduce administrative burden for producers and national/EU authorities.

<sup>73</sup> AND-International « *Etude transversale sur les Signes d'Identification de la Qualité et de l'Origine (SIQO) dans la filière fruits et légumes* », INTERFEL / FranceAgriMer, 2017

<sup>74</sup> Evaluation support study on GI/TSG

Rural development funds<sup>75</sup> co-finance GI producers' costs, helping them to join quality schemes and engage in information and promotion activities. The latest information available (end of 2018) showed a fairly equal distribution between both types of operation (52% promotion and information and 48% for new participation in quality schemes).

However, use of such support is quite limited in terms of scope and funds, and varies among Member States. Applying for the support can be burdensome and hampered by the weak organisational structure of some producer groups. The evaluation support study on GI/TSG shows that in the 2014–2020 programming period, only 56 out of 118 Rural Development Programmes included this measure aimed at strengthening the quality schemes, allocating EUR 594 billion ( 0.66% of the 56 RDPs' overall envelope ). In addition, the support is not for GIs and TSGs only. It covers a wide range of EU, national and voluntary agricultural product certification schemes including organic schemes.

The public consultation raised an issue of administrative costs (time, cost and national authorities' capacity), but fewer than 10% of the 217 respondents considered it is a disincentive to participate in the EU quality schemes.

Respondents to the public consultation were also asked to give their opinion on the costs and benefits of registering products under EU quality schemes. Consumers expressed more or less equally positive, neutral and negative opinions on the cost and benefits of both GIs and TSGs. National and regional authorities pointed to higher costs relating to the registration of GI, and producers to higher registration costs under the TSG scheme. The public consultation also tested public opinion on simplification i.e. whether greater efficiency could be achieved by a unified registration, amendment and cancellation procedure for all EU quality schemes. A high number of respondents (83%, N=224) agreed with the idea.

### **5.3. Relevance**

This section evaluates whether the current GI and TSG framework meets the needs of farmers/producers organisations, national authorities and consumers. In addition, it assesses its relevance in the light of the needs of rural areas. The analysis also covers the challenges of environmental sustainability and animal welfare.

#### **5.3.1. Producer groups and national authorities**

The theoretical analysis of the cause-effect relationship and empirical analysis (electronic survey of national authorities and producer groups) in the context of the evaluation support study on GI/TSG confirmed the relevance of all the objectives of the GI schemes for agricultural products and foodstuffs.

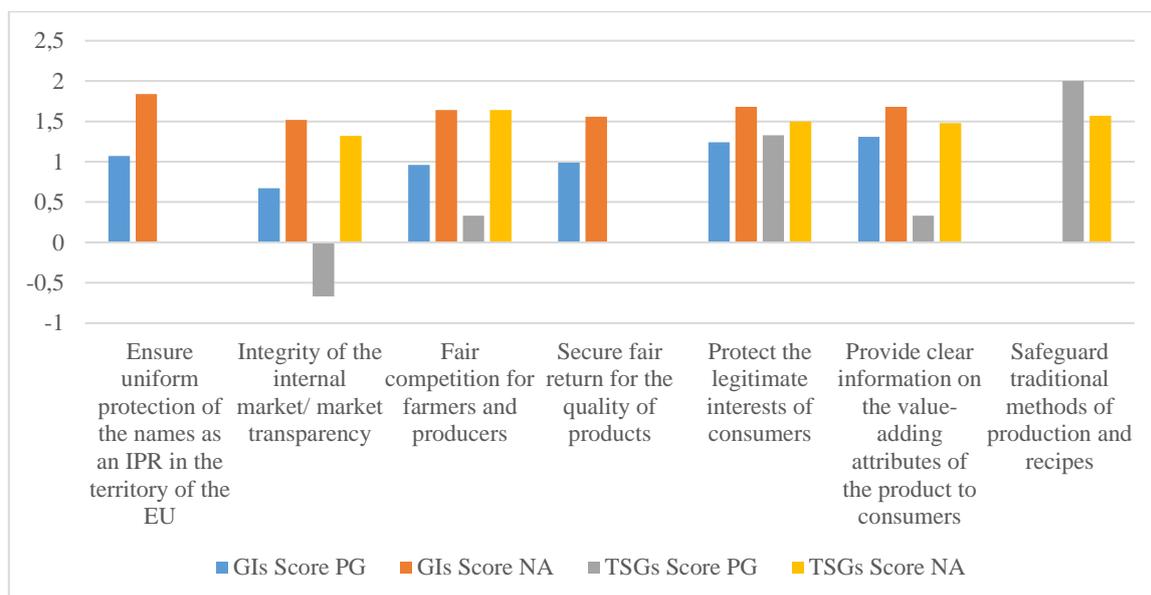
The objectives reflect national authorities' actual needs to a greater extent than those of producer groups (scores for the former are always significantly higher than for the latter). The objective "*Ensure uniform protection of the names as an Intellectual Property Rights*

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<sup>75</sup> Regulation (EU) N° 1305/2013

in the territory of the EU" is considered the most relevant for all GI schemes, which have the highest score<sup>76</sup>.

**Figure 14. Objectives of agri-food GIs and TSGs – relevance for national authorities (NA) and producer groups (PG).**



Source: DG Agriculture and Rural Development adapted from the evaluation support study on GI/TSG

For producer groups, PDO products show a higher level of relevance compared to PGI products as they denote a stronger link with the territory and therefore a greater sense “cultural identity”. For them, “Provide consumers with clear information on the value-adding attributes of the product” and “Protect the legitimate interests of consumers” are the most relevant objectives. This is confirmed in the Member States most involved in the schemes (France, Italy and Spain), and for most agri-food sectors. The fact that these two objectives concern relations with consumers would imply that “Business to Consumers” is the key actual need for producer groups.

As regards TSGs, the theoretical and the empirical analyses show that all the general objectives of the schemes (except “Integrity of the internal market/market transparency” for producer groups) are relevant. According to the electronic survey “Safeguard traditional methods of production and recipes” is the most relevant objective for the producer groups.

### 5.3.2. Consumers

Based on Eurobarometer results<sup>77</sup> the objectives of the schemes are also considered relevant for consumers, however, due to the low awareness and understanding of the schemes in some Member States, such relevance is not necessarily perceived by consumers. Nevertheless, the guarantees provided by GIs/TSGs (as regards product

<sup>76</sup> From 1 to 2 the relevance level is between “Somewhat agree” and “Completely agree”, 0 shows “neutral” judgement and a negative score presence of a reflection “not at all”.

<sup>77</sup> Special Eurobarometer 504, Europeans, Agriculture and the CAP, October 2020.

origin, raw material, traceability/authenticity, method of production, specific know-how, etc) cover factors that influence consumers' choices when purchasing food products.

Although environmental sustainability and animal welfare are not the main objectives of the GIs/TSGs Regulations, and contribution to a healthy diet is not among the criteria for the schemes, GI producers have started to respond to growing societal demands by integrating such concerns into the product specifications. However, these attributes are often not conveyed to consumers in a structured manner and are not promoted effectively. Recently, steps have been taken to address this weakness, e.g. the GIview database allows producers to convey messages on the sustainability attributes of their GI products.

### **5.3.3. Relevance regarding the needs of rural areas**

Rural areas cover 44% of EU territory and 80% or more of some Member States'. The analysis showed that GIs are considered a strong asset for rural territories. This finding emerges from the 2014-2020 Rural Development Programs<sup>78</sup> and their implementing reports and is confirmed by numerous studies at regional level or on local production systems. Data from the survey of producer groups and academic literature also indicate that GIs are important for producers in areas facing natural or other constraints. These results are in line with the expected impact of GIs on the development of the rural economy.

The analysis of the literature came across no specific findings on names protected as TSG.

The strengthening of GIs/TSGs through rural development policy responds primarily to the need to enhance integration in the agricultural sector and respond to consumer' demand for food quality (consumers increasingly select products on the basis of production practices and want to know more about how their food is produced).

Rural development funds provide support for joining the schemes and for information and promotion on quality products (see Section 5.2). The importance of the measures varies across regions, with some expressing high demand as regards quality schemes.

GIs/TSGs also are regarded as an important tool for promoting regional identity, in particular in countries with a history of GI protection. Economic operators, especially from southern EU countries, are generally convinced of their role in terms of maintaining and promoting the local cultural heritage.

### **5.3.4. Relevance regarding the environmental sustainability and animal welfare**

Civil society is becoming more and more concerned about the sustainability of food production, including under the GI schemes. At policy level, this is also reflected in the Farm to Fork Strategy.

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<sup>78</sup> The EU's Rural Development policy (CAP's second pillar) supports rural areas to meet the wide range of economic, environmental and social challenges. Rural development policy is implemented for a seven-year period, via Rural Development Programs (RDPs) designed by a Managing Authority either at national and/or regional level. RDPs are documents drawn up by Member States and regions, setting out strategic approaches and actions to meet the needs of the specific geographical area they cover.

In recent years, GIs and TSGs have taken up the challenges of environmental sustainability and animal welfare. Some have already incorporated additional specifications in this respect (e.g. limitation on the use of energy and water, improved waste management, bans on the use of genetically modified feed for cattle), going beyond the provisions of EU regulations, while for some others such changes are in the pipeline.

The analysis reveals the inclusion of more stringent environmental protection rules in 41% of the case study sample (seven Member States<sup>79</sup>) and more stringent animal welfare rules in 67% of the case studies involving animal production. Almost half the case study sample for the evaluation support study on GIs/TSGs reported ongoing initiatives relating to environmental rules, but no one as regards animal welfare rules. Most of the producer groups surveyed in the context of that study said that their product specifications take account of environmental or animal welfare issues (64% and 61% respectively). Of those, 60% have part of their production made in accordance with the rules for organic production. This signals a positive link between organic and GI schemes. Producers consider that incorporating voluntary environmental commitments in the product specifications has a positive impact on the landscape, thanks to traditional farming techniques (e.g. grazing). They also favour more extensive methods of production by imposing maximum yields. Also, prescribing a particular genetic resource as raw material is seen as promoting biodiversity. In the public consultation, 56% of the respondents agreed that the EU quality schemes help to protect natural resources or landscapes.

At present, only a few Member States indicated that there are public initiatives encouraging the GIs/TSGs producer groups to adopt voluntary rules of production relating to environmental sustainability and animal welfare. In conclusion, the incorporation of such considerations is a slow process, with different levels of commitment depending on public and private initiatives.

To conclude, the current GI and TSG framework is relevant in meeting the needs of producers and stakeholders. However, the current four Regulations and their objectives do not meet the requirements stemming from the changed political priorities and societal developments, such as sustainability, digitalisation, and internet sales. Legislative changes would be required to successfully address some of these developments.

## **5.4. Coherence**

This part of the analysis covers coherence between i) GIs and TSGs, ii) GIs and EU trade marks, iii) GIs/TSGs and national/regional schemes, iv) GIs/TSGs and other CAP instruments and measures and v) GIs/TSGs and wider EU policies.

### **5.4.1. Coherence between GIs and TSGs**

For the agri-food sector, GIs and TSGs were both legislated in 1992. While GIs and TSGs have a similar intervention logic and pursue many common objectives, they differ in several ways. PDOs and PGIs relate to the name of a product of which the quality or

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<sup>79</sup> Czechia, France, Italy, Spain, Hungary, Germany and Netherlands

reputation is linked to its geographical origin, but TSGs safeguard traditional aspects of products and recipes, with (in principle) no link to a specific geographical area.

PDO/PGIs enjoy a higher level of protection than TSGs, as they are recognised as Intellectual Property Rights (conferring IPR), while TSGs are not.

The two schemes largely overlap in terms of products scope, although PDOs/PGIs have a wider product scope for agricultural products, and the ‘prepared meals’ category is only available for TSGs.

The administrative procedures for registering TSGs are almost identical to those for PDOs/PGIs.

While 1441 GIs had been registered in the agri-food sector as of January 2021, only 64 TSGs had been registered. Evidence suggests that TSGs are less attractive, because they do not provide an Intellectual Property Right protection, the consumer recognition is low, and can be used by stakeholders from other geographical areas. Protecting a name without linking it to a geographical territory seems to offer limited added value for producers.

#### **5.4.2. Coherence between GIs and EU trade marks**

The EU trade marks refer to signs used in trade to signal commercial origin. They can consist of any signs, in particular words (including personal names), but also designs, letters, numerals, colours, sounds and the shape of goods and packaging. The signs that make up a trade mark must allow the consumer to distinguish the operator’s goods and services from others’. An EU trade mark gives its owner an exclusive right in all Member States. The relevant legal framework on EU trade marks is Regulation (EC) No 2017/1001 on the European Union trade mark.

The analysis shows that GIs and EU trade marks are both registered Intellectual Property Rights intended to regulate the use of names, grant protection and specific rights. However, the two Intellectual Property Rights have different functions. Trade marks give their owner an exclusive right, while GIs confer a collective right on all producers in the geographical territory who are willing to produce according to the defined product specification.

The level of protection offered by the EU legislation on GIs is assessed in the context of the evaluation support study on GI/TSG to be compatible with and comparable to the one offered by the EU legislation on trade marks. Similarly, the level of protection granted for the two Intellectual Property Rights is assessed to be consistent with the nature of their systems and aligned with the respective objectives. The Court of Justice of the European Union<sup>80</sup> has recently clarified the relationship between GIs and collective marks<sup>81</sup>.

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<sup>80</sup> C-766/18 Foundation for the Protection of the Traditional Cheese of Cyprus named Halloumi v EUIPO (BBQLOUMI)

<sup>81</sup> EU Collective marks distinguish the goods and services of a group of companies or members of an association from those of competitors. Collective marks can be used to build consumer confidence in the products or services offered under the collective mark. Very often they are used to identify products which share a certain characteristic.

### 5.4.3. Coherence between GIs/TSGs and national/regional schemes

Some Member States and regions have developed schemes to provide their operators with specific guarantees. EU schemes and national/regional schemes (under specific conditions) are eligible for support from the European Agricultural Fund for Rural Development (EAFRD), as defined in Article 16 of Regulation (EU) No 1305/2013. This covers: (i) quality schemes as defined in Article 16 of Regulation (EU) No 1305/2013 and (ii) voluntary agricultural product certification schemes recognised by the Member State as meeting the EU best practice guidelines for the operation of voluntary certification schemes relating to agricultural products and foodstuffs.

The following analysis is largely based on the assessment of 19 national/regional schemes:

**Table 4. List of selected national/regional schemes**

Member State	List of schemes
CZ	Klasa Regional Food Product
DE	Regionalfenster (Regional Window) Qualität aus deutschen Landen QS
ES	Tierra de Sabor Alimentos del paraíso natural Campo y Alma
FR	Label Rouge Certification conformité produit Produits agricoles de France Haute Valeur Environnementale
IT	Prodotti di Qualità Puglia Qualità Alto Adige / quality Südtirol 5Erre
Member State	List of schemes
HU	Quality Food from Hungary (QFH) / Kiváló Magyar Élelmiszer Hagyományok-Ízek-Régiók (HÍR) / Traditions-Tastes-Regions (TFR)
NL	Beter Leven Keurmerk (Better Life label)

Source: Evaluation support study on GI/TSG

There are many national/regional quality schemes in the EU, with many different features and requirements. Some enjoy greater consumer awareness than the GI and TSG schemes.

National/regional schemes may share common objectives with EU GIs/TSGs, e.g. promoting traditional products, improving traceability, etc. They may complement the latter as regards environmental and animal welfare issues. Some synergies may also be found where they represent a first step to enter EU quality schemes. However, the plethora of quality labels on the market, with objectives that may not be fully clear for all consumers, and may be confusing for some consumers.

In the public consultation, a majority (222) of the 230 respondents were positive about the coherence of EU quality schemes with official national/regional schemes. However, fewer than 50% agreed or tended to agree that they were coherent with private labels and certification schemes, while a quarter felt that there was inconsistency.

#### 5.4.4. Coherence between GIs/TSGs and other CAP instruments and measures

This section examines the extent to which the GI and TSG schemes contribute to and complement the following other CAP instruments and measures (i) direct payments, (ii) Common Market Organisation (CMO), (iii) rural development policy (iv) promotion policy and (v) organic policy.

##### Direct payments

The main objective of EU direct payments<sup>82</sup> is to contribute to farmers' income, thereby ensuring a fair standard of living for the agricultural community in line with Article 39 TFEU. By supporting farmers' income, they also help to maintain agricultural activity in all parts of the EU<sup>83</sup>.

Direct payments and quality policy are coherent as they share similar objectives. Through their objectives (as detailed in the legislation), the GI and TSG schemes complement direct payments in ensuring a fair income for primary producers.

##### Common Market Organisation (CMO)

The Common Market Organisation (CMO)<sup>84</sup> and quality policy also share similar objectives. The CAP aims to ensure that farmers receive a fair return from the market and to improve their position in the food value chain<sup>85</sup>. It does so first and foremost through the CMO.

The CMO Regulation contains general rules on the recognition of and support for producer organisations<sup>86</sup>, associations and interbranch organisations, and to optional reserved terms and marketing standards. It also contains specific provisions allowing for supply management by producers of PDO/PGI cheese and ham<sup>87</sup>. By facilitating the recognition of the quality of products on the market (through marketing standards and optional reserved terms) and allowing for a certain degree of concentration of supply, it strengthens farmers' bargaining power *vis-à-vis* processors<sup>88</sup>.

In sum, CMO and EU quality policy are coherent as they share similar objectives. GIs contribute to and complement the impact of the CMO Regulation in strengthening the

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<sup>82</sup> Regulation (EU) No 1307/2013 establishing rules for direct payments to farmers

<sup>83</sup> European Commission. COM(2017) 713 final. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: The future of Food and Farming

<sup>84</sup> Regulation (EU) No 1308/2013 establishing a common organisation of the markets for agricultural products

<sup>85</sup> European Commission. COM(2017) 713 final. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: The future of Food and Farming

<sup>86</sup> For the fruit & vegetable and wine sectors.

<sup>87</sup> Articles 150 and 172 of the CMO Regulation.

<sup>88</sup> 128<sup>th</sup> Recital of Regulation (EU) No 1308/2013

primary producers' bargaining power in the value chain and increasing their returns from the market.

### **Rural Development measures**

The main objective of EU rural development policy<sup>89</sup> is to contribute to vibrant rural areas, by supporting (among other things) farm viability, the competitiveness of all types of agriculture in all regions, and the organisation of the food chain. Rural areas account for half of the EU's territory and are home to 20% of its population<sup>90</sup>.

Rural development programmes contain a measure specifically designed to support quality schemes<sup>91</sup>, by providing support for farmers and groups of farmers for joining quality schemes, established at national/regional or EU level (including for GIs and TSGs), and support for information activities on quality products under such schemes.

Rural Development policy and quality policy are coherent as they share similar objectives. Through their objectives (as detailed in the legislation), the GI and TSG schemes contribute to and complement rural development policy in stimulating vibrant rural areas in the EU by contributing to viable farms, employment and the diversification of income streams.

### **Promotion policy**

The objectives of the EU's promotion policy for agricultural and food product are, as set out in Regulation (EU) No 1144/2014<sup>92</sup>, to boost the competitiveness and consumption of EU products in the EU and elsewhere; to raise consumer awareness of the merits of EU agricultural products and production methods, and to raise awareness and recognition of EU quality and organic farming schemes.

Recital 4 of Regulation (EU) No 1144/2014 makes a first link between the promotion policy and EU quality schemes by stating that the measures taken under former should aim to communicate the authenticity of EU products, thus contributing significantly to raising awareness of the latter in the EU and elsewhere. The recent evaluation support study of EU agriculture promotion policy<sup>93</sup> reveals that, overall, the policy is effective in influencing awareness and recognition of EU quality schemes, thus ensuring coherence between the two policy areas.

Promotion policy is not geared to products' origin<sup>94</sup>, and promotion measures should not encourage consumption of a product based solely on its origin. Nevertheless, in the case

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<sup>89</sup> Regulation (EU) No 1305/2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD)

<sup>90</sup> Source: [https://ec.europa.eu/regional\\_policy/en/policy/themes/rural-development/](https://ec.europa.eu/regional_policy/en/policy/themes/rural-development/)

<sup>91</sup> Article 16 of Regulation (EU) N° 1305/2013

<sup>92</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014R1144&from=en>

<sup>93</sup> Available at URL: <https://op.europa.eu/en/publication-detail/-/publication/61b15a1d-09dc-11eb-bc07-01aa75ed71a1/language-en>

<sup>94</sup> Art 4(2) of Regulation (EU) No 1144/2014

of products covered by quality schemes it is possible to show the origin of products on information and promotional material.

Whereas EU quality schemes link products' quality to their geographical origin and the specific know-how involved in their production, promotion policy aims to promote the quality of *all* EU agri-food products by referring to the horizontal requirements and high standards applicable that govern production methods in the EU, e.g. in terms of food safety, animal welfare etc.

Despite these differences, promotion campaigns and activities for GI products creates synergies for both policy areas:

- for EU quality policy: promotion programmes increase the visibility of such products in new markets, helping to pave the way for potential exports to non-EU markets in advance of conclusion or entry into force of a Free Trade Agreement<sup>95</sup>, and
- for promotion policy: GIs act as powerful ambassadors for the quality of EU agri-food products, helping to enhance the competitiveness of the agricultural sector as a whole.

To conclude, promotion policy and quality policy are coherent overall, and important synergies between the two policy areas have been identified.

## **Organic policy**

Organic production plays a dual societal role by responding to specific consumer demand for organic products and delivering public goods that contribute to the protection of the environment, animal welfare and rural development<sup>96</sup>.

Organic production is regulated at EU level by Council Regulation (EC) No 834/2007<sup>97</sup> and Commission Regulation (EC) No 889/2008<sup>98</sup>. As highlighted in the Commission's 2009 Communication on *Agricultural product quality policy*<sup>99</sup>, the EU's agricultural product quality schemes promote organic production, together with GIs/TSGs and

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<sup>95</sup> Interim Implementation assessment of Regulation (EU) No 1144/2014, available at URL: <https://op.europa.eu/en/publication-detail/-/publication/e9e739da-f87f-11e8-9982-01aa75ed71a1>

<sup>96</sup> Recital 1 of Regulation (EU) 2018/848 of the European Parliament and of the Council of 30 May 2018 on organic production and labelling of organic products and repealing Council Regulation (EC) No 834/2007

<sup>97</sup> Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products and repealing Regulation (EEC) No 2092/91 (OJ L 189, 20.7.2007, p. 1). The Regulation was to be repealed on 1 January 2021 by Regulation (EU) 2018/848, but the Commission has proposed postponing the entry in force of the latter by 1 year; [https://www.europarl.europa.eu/RegData/docs\\_autres\\_institutions/commission\\_europeenne/com/2020/0483/COM\\_COM\(2020\)\\_0483\\_EN.pdf](https://www.europarl.europa.eu/RegData/docs_autres_institutions/commission_europeenne/com/2020/0483/COM_COM(2020)_0483_EN.pdf)

<sup>98</sup> Commission Regulation (EC) No 889/2008 of 5 September 2008 laying down detailed rules for the implementation of Council Regulation (EC) No 834/2007 on organic production and labelling of organic products with regard to organic production, labelling and control (OJ L 250, 18.9.2008, p. 1).

<sup>99</sup> COM(2009) 234 final;

<https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2009:0234:FIN:EN:PDF>

produce from the EU's outermost regions<sup>100</sup>. In this respect, organic policy pursues the same CAP objectives that are inherent in *all* EU agricultural product quality schemes e.g. ensuring the effective functioning of the internal market, guaranteeing fair competition, ensuring consumer confidence, and protecting consumer interests and ensuring that farmers receive a fair return for complying with production rules<sup>101</sup>.

While high health, environmental and animal welfare standards in the production of organic products is intrinsic to their high quality, GIs and TSGs link products' quality to geographical origin and know-how. The two schemes are therefore complementary and their objectives are neither contradictory nor inconsistent. In fact, by tackling quality from different angles, they contribute to common objectives relating to the quality of EU food products. Furthermore (as discussed in Section 5.3.4), although environmental and animal welfare aspects are not explicitly listed among the objectives of the GI and TSG schemes, they do feature in the specifications for certain products. As such, the two policies may be mutually reinforcing.

In terms of implementation, both policies have a regulatory framework at EU level, a logo, a similar scope in terms of products covered<sup>102</sup> and comparable control systems in place, with audits organised at EU level by the Commission.

With regard to production rules, the main difference lies in the fact that organic production and its control rules are horizontally set in Regulation (EC) No 834/2007, whereas for GI products the production rules are set in product specifications for each GI, on the basis of which the control bodies carry out controls. It is not feasible to produce a comprehensive analysis of GI/TSG production rules, in order to identify inconsistencies or synergies with organic policy.

Given the above similarities (in terms of scope, controls, etc.), as both types of scheme may give primary producers a price premium and some GI product specifications contain quite strict rules, GI producers may also opt to join the organic schemes for the same products. However, assessing the share of GI production which also participates in the organic schemes appears challenging, given the unique nature of each GI and the choices of each individual producer.

Results from the survey of producers (in the context of the evaluation support study on GI/TSG) revealed that more than half (61%) of GIs/TSGs are produced to some extent in line with the rules for organic production; 23% of these reached a proportion of organic production exceeding 25%. However, big differences are observed in the level of organic production for individual GI/TSG products. For example, it is negligible for a spirit drink *Pálinka* and a ham *Jabugo* but reached 10% in the case of *Côtes du Rhône* wine (strong increase since 2008).

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<sup>100</sup> In accordance with Regulation (EU) No 228/2013 of the European Parliament and of the Council of 13 March 2013 laying down specific measures for agriculture in the outermost regions of the Union and repealing Council Regulation (EC) No 247/2006 (OJ L 78, 20.3.2013, p. 23).

<sup>101</sup> Recitals 2, 3 and 6 - Regulation (EU) 2018/848 of the European Parliament and of the Council of 30 May 2018 on organic production and labelling of organic products and repealing Council Regulation (EC) No 834/2007

<sup>102</sup> Organic production also covers feed, unlike GIs and TSGs

Results from the survey of national authorities suggested that there is no competition between the two types of policy scheme. Of 27 respondents, 20 did not believe that producers are discouraged from producing organically due to the success of the GI schemes.

68% of respondents to the open public consultation (N=149) agreed that EU quality schemes contributed to and complemented other CAP instruments and measures (20% of the respondents disagreed, and 12% had no opinion).

Based on the above, GIs and TSGs are coherent with direct payments, the CMO, Rural Development policy, promotion policy and organic policy as they pursue similar objectives.

#### **5.4.5. Coherence between GIs/TSGs and wider EU policies**

This section analyses the extent to which the GI and TSG schemes are coherent with (i) food safety, (ii) health, (iii) information to consumers and (iv) trade.

##### **Food safety**

The General Food Law<sup>103</sup> establishes the general principles for food safety at all stages of production and distribution. It is complemented by other provisions that spell out safety requirements further at various levels e.g. from a microbiological<sup>104</sup> and chemical<sup>105</sup> point of view and provisions on animal and plant health. The food safety framework applies without prejudice to all food products produced in the EU and/or placed on the EU market<sup>106</sup>, including those enjoying GI and TSG status.

However, food with traditional characteristics including certain PDO/PGI and TSG products, may be granted specific derogations from the hygiene requirements set out in Regulation (EC) No 852/2004. In this context, Member States may authorise food business operators not to apply certain requirements in specified circumstances, so as to enable the continued use of traditional methods of production. Such derogations still make allowance for ensuring that the food is safe, i.e. not injurious to health and fit for human consumption. Examples of national measures enabling the continued use of traditional methods of production cover<sup>107</sup>: traditional dried reindeer meat (Finland), raw-dried meat products from minced and non-minced meat (Bulgaria) and the immediate evisceration of poultry (France).

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<sup>103</sup> Regulation (EC) No 178/2002 of the European Parliament and of the Council. Available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32002R0178&from=EN>

<sup>104</sup> [Regulation \(EC\) No 2073/2005 on microbiological criteria for foodstuffs](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=legisum:4385114); <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=legisum:4385114>

<sup>105</sup> For more information see <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=legisum:121113>; <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02005R0396-20160513>

<sup>106</sup> Including foodstuff produced in the EU and exported outside the EU territory

<sup>107</sup> [https://www.fsai.ie/uploadedFiles/EU\\_Guidance\\_flexibility.CA.pdf](https://www.fsai.ie/uploadedFiles/EU_Guidance_flexibility.CA.pdf)

## EU health policy

The legal basis for the EU's health policy is Article 168 of the Treaty on the Functioning of the European Union (TFEU)<sup>108</sup>, under which “*a high level of human health protection shall be ensured in all Union policies and activities*”. The EU Health Programme 2014-2020<sup>109</sup>, provides an overarching strategic framework addressing core issues in health, with the objectives of fostering good health, ensuring protection from health threats and harmonising strategies between Member States.

Food and nutrition play a fundamental role in achievement of EU health goals, and the link between food and health is well established and recognised. Areas of concern from a health point of view and linked to food and nutrition include:

- obesity<sup>110</sup>, as highlighted in the Commission's White Paper on A Strategy for Europe on Nutrition, Overweight and Obesity related health issues<sup>111</sup>;
- harmful alcohol consumption<sup>112</sup>, as highlighted in the EU Alcohol Strategy<sup>113</sup>.
- cancer as covered in the Europe's Beating Cancer Plan<sup>114</sup>

The EU's 'Farm to Fork Strategy' also stresses the need for a shift to healthy, sustainable diets, along with the issue of food safety. It clearly states that current food consumption patterns are unsustainable in both health and environmental terms. While average intakes of energy, red meat, sugars, salt and fats in the EU continue to exceed recommendations, consumption of whole-grain cereals, fruit and vegetables, legumes and nuts is insufficient.

The EU quality schemes cover a wide range of products, e.g. oil, fruit and vegetables, seafood, meat (including processed meat) and cheese, with the predominant share of products being alcoholic beverages. An analysis of the product range, the nutritional composition and the proportion of the various products covered by the schemes has not been carried out as part of this evaluation. Therefore, conclusions cannot be drawn as regards the proportion of the GI/TSG products that might contribute to the consumption imbalances identified in the Farm to Fork Strategy, as having negative health and environmental sustainability impacts.

Health and nutrition aspects are currently not listed among the objectives of the GI legislation, so there were no direct inconsistencies between the EU quality and health policies identified in the evaluation, as they pursue theoretically different objectives.

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<sup>108</sup> [EUR-Lex - 12008E168 - EN - EUR-Lex \(europa.eu\)](#)

<sup>109</sup> [Regulation \(EU\) No 282/2014 of the European Parliament and of the Council of 11 March 2014 on the establishment of a third Programme for the Union's action in the field of health \(2014-2020\) and repealing Decision No 1350/2007/ECText with EEA relevance \(europa.eu\)](#)

<sup>110</sup> [Strategy on nutrition, overweight and obesity-related health issues | Public Health \(europa.eu\)](#)

<sup>111</sup> As mentioned in [Microsoft Word - EN 279 - original.doc \(europa.eu\)](#)

<sup>112</sup> [https://ec.europa.eu/health/alcohol/overview\\_en](https://ec.europa.eu/health/alcohol/overview_en)

<sup>113</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52006DC0625>

<sup>114</sup> [A cancer plan for Europe | European Commission \(europa.eu\)](#)

## Information to consumers

The framework for the provision of food information to consumers is set by Regulation (EU) No 1169/2011<sup>115</sup> (FIC Regulation), which establishes general principles, requirements, and responsibilities governing food information, in particular labelling. The FIC Regulation applies to food business operators at all stages of the food chain and applies to all foods intended for the final consumer<sup>116</sup>. In particular, as stated in Article 1(4), it applies without prejudice to labelling requirements in specific EU provisions applicable to particular foods, including GI and TSG products. The inclusion of quality products in the scope of the FIC Regulation ensures coherence between the two policy areas.

The two policies are also coherent in terms of their objectives. In both cases, the legislation lays down labelling rules to ensure that consumers are provided with reliable information that enables them to make informed choices and avoid being misled<sup>117</sup>.

Having said that, the policies tackle consumer information from slightly different angles: while the FIC Regulation provides a first layer of requirements applicable to all food products, GI policy concerns the value-adding attributes of GI products linked to their origin. Moreover, unlike the quality policy, the FIC Regulation makes a link between the information provided and the protection of consumers' health, thus covering nutrition aspects as well.

Various legal frameworks refer to products' origin, at various regulatory levels, each pursuing specific objectives. Although EU quality policy relating to GIs is not *per se* an origin labelling system, it links food and beverages to a specific geographical area, to which the name of the product refers. Therefore, the link with territory and the indication of origin represent the key feature of the quality schemes.

However, various other legal frameworks refer to the indication of the origin of food products. Article 26 of the FIC Regulation establishes general requirements with regard to the indication of products' country of origin or place of provenance. These must be indicated where failure to do so this might mislead the consumer<sup>118</sup>. Beyond this general requirement, EU law also requires an indication of origin for certain specific foodstuffs, such as fresh fruit and vegetables, fishery products, honey, olive oil, wine and eggs<sup>119</sup> and for beef and beef products, pig meat, poultry and sheep and goat meat.

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<sup>115</sup> <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32011R1169&from=EN>

<sup>116</sup> Including foods delivered by mass caterers, and foods intended for supply to mass caterers (Article 1, par. 3)

<sup>117</sup> Art 3 of FIC Regulation: The provision of food information shall pursue a high level of protection of consumers' health and interests by providing a basis for final consumers to make informed choices and to make safe use of food

<sup>118</sup> This is spelled out further in Commission Implementing Regulation (EU) No 1337/2013 of 13 December 2013 laying down rules for the application of Regulation (EU) No 1169/2011 of the European Parliament and of the Council as regards the indication of the country of origin or place of provenance for fresh, chilled and frozen meat of swine, sheep, goats and poultry (OJ L 335, 14.12.2013, p. 19).

<sup>119</sup> More information available at:

[https://ec.europa.eu/food/safety/labelling\\_nutrition/labelling\\_legislation/origin-labelling\\_en](https://ec.europa.eu/food/safety/labelling_nutrition/labelling_legislation/origin-labelling_en)

These pieces of legislation pursue different objectives and define the concept of origin accordingly. While EU quality policy considers origin as adding value in terms of product quality (when it implies specific characteristics), the aim of the legislation on the origin labelling of agricultural products is to inform consumers of the product's country of origin or provenance.

Under Article 26(3) of the FIC Regulation, where the origin of a food product is given and differs from that of its primary ingredients, the origin of the latter must also be given or at least indicated as being different. These requirements are spelled out further in Commission Implementing Regulation (EU) 2018/775<sup>120</sup>, which clarifies how the information on the origin of the primary ingredient should be displayed on labels.

GIs fall within the scope of Article 26(3) of the FIC Regulation. In view of the fact that for these product designations an intrinsic link between product characteristics and geographical origin exists, they are regulated by specific rules, including rules on labelling, and taking into consideration the specific character of these names as intellectual property rights, it is necessary to further examine how the origin of the primary ingredient provided by Article 26(3) of the FIC Regulation should be indicated for said names. For this reason, Article 1(2) of Implementing Regulation (EU) 2018/775 specifies that GI products do not fall under its scope. Recital 6 clarifies that, while the general requirements of Article 26(3) of the FIC Regulation apply to all food products, the relevant implementing rules, related to the primary ingredient, require further examination and will be adopted at a later stage.

If the scope of those rules is extended to GIs, an assessment of its impact will be carried. This issue is of particular relevance for PGI products (as compared to PDO), for which part of the production/processing process can take place outside of the defined geographical area.

## Trade policy

EU trade policy relies on 'open and fair' trade as underlying principles when pursuing a level playing field for traders and investors operating across the world. It contributes to economic growth, job creation and the integration of all countries, including developing countries, into the world economy<sup>121 122</sup>. It aims to create opportunities for enterprises of all sizes and contributes to sustainable development<sup>123</sup>.

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<sup>120</sup> Commission Implementing Regulation (EU) 2018/775 of 28 May 2018 laying down rules for the application of Article 26(3) of Regulation (EU) No 1169/2011 of the European Parliament and of the Council on the provision of food information to consumers, as regards the rules for indicating the country of origin or place of provenance of the primary ingredient of a food (OJ L 131, 29.5.2018, p. 8).

<sup>121</sup> Treaty on the European Union, Title V, Chapter 1: Art 21.2: *(e) encourage the integration of all countries into the world economy, including through the progressive abolition of restrictions on international trade;*

<sup>122</sup> The EU has a strategic interest to support enhanced integration in the world economy of developing countries, and is the world's largest provider of 'Aid for Trade' to support developing countries in using trade as a leverage for poverty reduction.

<sup>123</sup> DG TRADE, EU Trade Policy at work. URL: [https://trade.ec.europa.eu/doclib/docs/2019/october/tradoc\\_158400.pdf](https://trade.ec.europa.eu/doclib/docs/2019/october/tradoc_158400.pdf)

Beyond facilitating trade in goods and services and investments, the effective protection and enforcement of intellectual property rights is enshrined in EU's Trade policy. EU trade policy recognizes the importance of appropriate intellectual property rights protection and enforcement to stimulate innovation and maintain the EU's competitive position in the global economy<sup>124</sup> <sup>125</sup>. GIs, as an Intellectual Property Right, is among EU Trade policy interests, as reflected in the EU's trade agenda in the recent years. Trade agreements have helped to protect EU GIs against unfair practices on non-EU markets<sup>126</sup>.

EU quality policy lists among its key objectives the uniform protection of GIs as Intellectual Property Rights in EU territory<sup>127</sup>. GIs are an EU-wide interest and there is a positive contribution to economic growth and jobs in the EU stemming from an enhanced protection and enforcement of EU GI rights also in third markets by means of trade agreements.

The protection of GIs in EU trade agreements is of particular importance as the share of GI product sales in the EU exports rises. GI products now accounts for 15.5% of total EU agri-food exports<sup>128</sup>. In 2017, 23% of total EU GI product sales (EUR 17 billion), took place with third countries. EU agri-food trade with preferential trading partner countries accounts for roughly 35% of total EU agri-food trade with third countries and this share has been rising over the past 10 years<sup>129</sup>. Hence, GI protection under trade agreements is therefore major factor in the EU's very competitive edge in agri-food exports at international level.

EU trade policy relies on various tools when it comes to the protection of GIs:

**Commitments under multilateral agreements**, in the contexts of the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), where the EU has been a major supporter of negotiations on GIs in the WTO's Doha Development Agenda<sup>130</sup>, with a view to establishing an international register and extending the higher level of protection, currently granted to wines and spirit drinks GIs, to the rest of GIs.

The Geneva Act of the Lisbon Agreement on Appellations of Origin and Geographical Indications signed in 2015 by 13 States is an international agreement establishing a system of multilateral protection of GIs. It updated and enhanced the Lisbon Agreement for the Protection of Appellations of Origin (1958, modified in 1979). The two acts

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<sup>124</sup> [http://trade.ec.europa.eu/doclib/docs/2019/may/tradoc\\_157903.pdf](http://trade.ec.europa.eu/doclib/docs/2019/may/tradoc_157903.pdf)

<sup>125</sup> Notably, IPR Intensive Industry, including GI intensive ones, are very important in the EU, and generated altogether almost 45% of total economic activity (GDP) in the EU, worth €6.6 trillion. They also accounted for most of the EU's trade with the rest of the world. Source: [https://euipo.europa.eu/ohimportal/en/web/observatory/ip-contribution#ip-contribution\\_1](https://euipo.europa.eu/ohimportal/en/web/observatory/ip-contribution#ip-contribution_1)

<sup>126</sup> Mission letter to Trade Commissionnaire: [https://ec.europa.eu/commission/commissioners/sites/comm-cwt2019/files/commissioner\\_mission\\_letters/mission-letter-phil-hogan-2019\\_en.pdf](https://ec.europa.eu/commission/commissioners/sites/comm-cwt2019/files/commissioner_mission_letters/mission-letter-phil-hogan-2019_en.pdf)

<sup>127</sup> According to Regulation (EU) No 1151/2012

<sup>128</sup> [https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/cmef/products-and-markets/economic-value-eu-quality-schemes-geographical-indications-gis-and-traditional-specialities-guaranteed-tsgs\\_en](https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/cmef/products-and-markets/economic-value-eu-quality-schemes-geographical-indications-gis-and-traditional-specialities-guaranteed-tsgs_en)

<sup>129</sup> [https://trade.ec.europa.eu/doclib/docs/2020/november/tradoc\\_159039.pdf](https://trade.ec.europa.eu/doclib/docs/2020/november/tradoc_159039.pdf)

<sup>130</sup> <https://ec.europa.eu/trade/policy/eu-and-wto/doha-development-agenda/>

concern the same agreement. The Members of the respective acts are part of a single Special Union named Lisbon Union. The Geneva Act entered into force on 26 February 2020, three months after the EU's accession.

The Geneva Act is open to international organisations, while the Lisbon Agreement is not, and it covers also 'Geographical Indications', while under the Lisbon Agreement only 'Appellations of Origin' may be registered. The names are registered in a single register which is named 'the International Register'.

30 countries are members of the Lisbon Agreement, among which seven Member States: Bulgaria, Czechia, France, Italy, Hungary, Portugal and Slovakia.

The contracting parties for which the Geneva Act is in force as of 30 June 2021 are: Cambodia, Albania, Samoa, the Democratic People's Republic of Korea, the EU, Laos, France, Oman and Hungary. More countries are expected to follow.

**Bilateral trade agreements**, which include comprehensive Intellectual Property Rights chapters<sup>131</sup> of which GIs are always part. GI protection has been among the EU's main agricultural offensive interests in trade negotiations, including with Mercosur, Mexico, and Japan<sup>132</sup>.

**Effective enforcement:** the EU adopted a revised Strategy for the Enforcement of Intellectual Property Rights in third countries<sup>133</sup>, which includes specific actions to address Intellectual Property Rights protection and enforcement problems affecting EU businesses that trade and invest abroad. Enforcing these rights within the EU and abroad contributes to economic growth and job creation, while safeguarding consumer safety and health, which could be put at risk by counterfeit products<sup>134</sup>.

Other tools for the protection and enforcement of GI rights (and, more broadly, of Intellectual Property Rights) in third countries, include EU-funded **IP technical cooperation programmes** to support the setting-up and improve the functioning of third countries' IP systems, as well as **IP dialogues** and **IP Working Groups**<sup>135</sup>. These tools help third countries improve their Intellectual Property Rights frameworks and support EU stakeholders' interests in those countries. The IP technical cooperation programmes (so-called IP Keys, in China, Latin America and South-East Asia) create relevant synergies abroad with another EU-funded instrument in support of SMEs, the IP SME Helpdesks<sup>136</sup>.

The Commission has recently conducted a **review of EU trade and investment policy** with a view to responding to global challenges, taking account of lessons learned from the COVID-19 crisis. A new Communication on EU trade policy was published in

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<sup>131</sup> <https://ec.europa.eu/trade/policy/countries-and-regions/negotiations-and-agreements/>

<sup>132</sup> <http://data.consilium.europa.eu/doc/document/ST-5344-2018-INIT/en/pdf>

<sup>133</sup> <https://ec.europa.eu/transparency/regdoc/rep/1/2014/EN/1-2014-389-EN-F1-1.Pdf>

<sup>134</sup> <https://ec.europa.eu/trade/policy/accessing-markets/intellectual-property/>

<sup>135</sup> <https://ec.europa.eu/trade/policy/accessing-markets/intellectual-property/>

<sup>136</sup> [http://trade.ec.europa.eu/doclib/docs/2019/may/tradoc\\_157903.pdf](http://trade.ec.europa.eu/doclib/docs/2019/may/tradoc_157903.pdf)

February 2021<sup>137</sup>. The aim of this new strategy is to build a consensus around the strategic direction and objectives of EU trade policy for the next decade, based on openness, sustainability and assertiveness.

The EU's wide network of preferential trade agreements, covering around 33% of its EU external trade, will continue to facilitate and increase mutual trade and investment flows as a driver of economic recovery, also contributing to sustainability objectives when pursuing its interests abroad. The new strategy strengthens its focus on implementing and enforcing trade agreements and ensuring a level playing field. By strengthening the implementation and enforcement of its agreements, EU's trade policy thus creates the conditions for businesses to develop, grow, and innovate, and help to secure high-quality jobs in the EU and beyond. The enforcement of EU GI rights will benefit from these enhanced efforts.

GIs have major economic value in the EU's agri-food sector. GI protection provides opportunities for growth and jobs in the EU. Trade policy amplifies the benefits of EU GI policy, in particular by improving market access and enhancing IPR frameworks for the protection and enforcement of GIs in third country markets.

Therefore, it can be concluded that the EU's GI policy is consistent with its trade policy and contributes to synergies with regard to objectives and effects achieved.

## 5.5. EU added value

Several Member States had developed schemes for GI protection before the EU framework was established. However, these national schemes were not comparable with the EU ones in terms of **scope and type of protection**. For instance, Italy's Law on GIs in the agri-food sector (1954) only covered cheese; in the UK and Germany (for agri-food products), the frameworks related to trade marks and the use of specific names, which were not fully comparable with GIs. The national schemes that were similar to the EU GI schemes were superseded by the latter.

Only a few Member States (e.g. France, Czechia) implemented comparable national schemes for TSGs.

As regards the **protection provided by International protection agreements compared to protection provided by EU schemes**, there is a clear EU added value. In particular, the EU's involvement in GIs is a driver at international level. Its accession to the Geneva Act (see above) is expected to contribute to the development of GI policy at global level and to consolidate and potentially expand the benefits of GI protection for inclusive growth and employment in high added value production in the agricultural sector. With the Geneva Act offering a system of centralized registration and multilateral protection, it should also give an incentive for more third countries to join the Lisbon system, since this would give them access to protection throughout the EU, and they could benefit from an examination procedure which is efficient, simple, fast, inexpensive, and objective. The Geneva Act offers a system of centralised registration and multilateral

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<sup>137</sup> [https://trade.ec.europa.eu/doclib/docs/2021/february/tradoc\\_159438.pdf](https://trade.ec.europa.eu/doclib/docs/2021/february/tradoc_159438.pdf)

protection. Names are registered via a single procedure managed by the World Intellectual Property Organization (WIPO) and each member decides whether protect or not the registered name. Taking into account that currently there are only nine members of the Geneva act, it will take time before it can achieve its potential of protecting GIs effectively at a more global level.

**Scrutiny at EU level** allows the homogeneity of the procedures while there are large differences for national scrutiny procedures among Member States. In this context, the implementation of the GI and TSG schemes is highly variable among the Member States, depending on pre-existing rules and the objectives. For instance, GIs are a key policy priority for France, which has a specific public institute (INAO) to manage GIs, TSGs and other quality schemes. In Italy and Spain, applications are first examined by the competent regional authority. Then, the national Ministry proceeds with the assessment of application requests. In the Netherlands, there are no guidelines in place to assess the GI applications through a uniform method. Thus, there is clear heterogeneity in the national procedures which may lead to varying levels of quality in the applications at EU level. However, the EU procedure is the same for the scrutiny of the applications from each Member State. This ensures a homogeneity of the procedures and increases the homogeneity of the guarantees provided by GIs and TSGs at EU level.

**Homogeneity of procedures** between Member States, as regards sales beyond their domestic markets, are important: 20% of sales value for GI/TSG were on intra-EU market in 2017 (EUR 15 billion) and 22% on third country market (EUR 17 billion)<sup>138</sup>. This EU procedure appears to be relevant in terms of integrity of the internal market (common standards for goods circulating on the intra-EU market) and regarding the homogeneity of standards for products exported to third country markets. However, it is not possible to assess the extent to which the homogeneity would decrease in case of Member State scrutiny only, with stricter guidelines from the Commission.

With the increasing **digitalisation** and online sales, the potential for fraud (e.g. in the form of misleading domain names) is also growing. In order to sustain the EU added value of GIs in the internet age, the Commission has been developing in collaboration with the European Union Intellectual Property Office (EUIPO), the GIview platform to enhance transparency, the public availability of information and to improve the enforcement of Intellectual Property Rights.

In addition, a possible **registration of small-scale GIs/TSGs** only at national level was assessed. The term “small-scale GI/TSG” refers to both economic size and market area. If it is considered that small scale GIs/TSGs cover the value chains with less than EUR 1 million sales value, in 2017 they accounted for<sup>139</sup>: 48% of the total number of GIs (about 1 600), only 0.5% of total sales value under GI (EUR 418 million). However, targeting only larger GIs/TSGs under the EU GI and TSG schemes could possibly give rise to several issues:

- not all Member States may have comparable schemes as an alternative to EU-level registration;

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<sup>138</sup> Study on economic value of EU quality schemes

<sup>139</sup> Based on database elaborated in the context of study on economic value of EU quality schemes

- it may be difficult to assess a realistic sales value for GIs/TSGs at the registration stage;
- it may be difficult to set a viable threshold for smaller-scale GIs/TSGs; and
- such a proposal could face opposition from stakeholders, due to the exclusion of many value chains from the EU schemes.

The EU-level scrutiny procedure costs an estimated EUR 33500 for each application. This represents 0.3% of 10 years of sales for a small-scale GI/TSG (EUR 1 million/year), so should still be feasible for smaller producer groups.

The public consultation included an open question on the most essential benefits of EU quality schemes (GIs, PDOs, PGIs and TSGs) that national/regional schemes could not provide. 65% of respondents were neutral about the additional benefits of EU quality policy and schemes in comparison to national/regional policy and schemes, 27% were clearly positive and the remaining 8% clearly negative. ‘Harmonisation’, ‘protection’ and ‘promotion’ were the terms used most often in responses as to the benefits of EU quality policy (some examples are given below).

**Figure 15. Selection of ideas mentioned by the OPC respondents**



Source: Public Consultation

In summary, GIs/TSGs generate a clear EU added value. Without the EU framework, the GI and TSG schemes might not exist in every Member States and might not be consistent across those in which they do exist.

## 6. CONCLUSIONS

Data triangulation was used to ensure the robustness of the conclusions, i.e. two or more different data collection methodologies were used to verify the findings. The conclusions are based on various data resources including an external evaluation support study on GIs and TSGs protected in the EU<sup>140</sup>, an external study on the economic value of EU quality schemes<sup>141</sup>, a counterfactual analysis of the economic impacts of GIs/TSGs in rural areas by JRC<sup>142</sup>, a public consultation and an in-house data and information analysis (please see Section 4.2 and Section 4.3).

### 6.1. Effectiveness

Overall, the evaluation concludes that the objectives of the EU legislation on GIs and TSGs have been achieved. This conclusion is based on the two external studies<sup>143,144</sup>, the counterfactual analysis of economic impacts of GIs/TSGs in rural areas by JRC<sup>145</sup>, the public consultation<sup>146</sup> and the in-house data and information analysis.

The evaluation shows that the GI and TSG schemes have a positive effect on the internal market by providing a common reference for trade across the Member States and ensuring consistent level of protection at EU level.

The legislative framework for GIs and TSGs provides for fair competition for farmers and producers in the GI/TSG value chain. EU-level scrutiny ensures homogeneity, and the controls (as implemented by Member States at all stages of the supply chain) ensure a good level of protection against misuses of GI names. Nevertheless, controls and enforcement of GIs are more effective in the Member States of production than in other intra- and extra- EU markets. The EU GI infringement market totalled approximately

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<sup>140</sup> Evaluation support study on geographical indications and traditional specialities guaranteed protected in the EU, <https://op.europa.eu/en/publication-detail/-/publication/c1d86ba1-7b09-11eb-9ac9-01aa75ed71a1/language-en>

<sup>141</sup> Study on economic value of EU quality schemes, geographical indications (GIs) and traditional specialities guaranteed (TSGs) <https://op.europa.eu/en/publication-detail/-/publication/a7281794-7ebe-11ea-aea8-01aa75ed71a1>

<sup>142</sup> Dumangane, M., Granato, S., Lapatinas, A., and Mazzarella, G., Causal estimates of Geographical Indications' effects on territorial development: feasibility and application, JRC Technical Report, Ispra, 2021, JRC124769, [Causal estimates of Geographical Indications' effects on territorial development: feasibility and application | Knowledge for policy \(europa.eu\)](https://ec.europa.eu/knowledge4policy/publications/124769)

<sup>143</sup> Evaluation support study on geographical indications and traditional specialities guaranteed protected in the EU, <https://op.europa.eu/en/publication-detail/-/publication/c1d86ba1-7b09-11eb-9ac9-01aa75ed71a1/language-en>

<sup>144</sup> Study on economic value of EU quality schemes, geographical indications (GIs) and traditional specialities guaranteed (TSGs) <https://op.europa.eu/en/publication-detail/-/publication/a7281794-7ebe-11ea-aea8-01aa75ed71a1>

<sup>145</sup> Dumangane, M., Granato, S., Lapatinas, A., and Mazzarella, G., Causal estimates of Geographical Indications' effects on territorial development: feasibility and application, JRC Technical Report, Ispra, 2021, JRC124769, [Causal estimates of Geographical Indications' effects on territorial development: feasibility and application | Knowledge for policy \(europa.eu\)](https://ec.europa.eu/knowledge4policy/publications/124769)

<sup>146</sup> <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/2029-Evaluation-of-Geographical-Indications-and-Traditional-Specialities-Guaranteed-protected-in-the-EU/public-consultation>

EUR 4.3 billion in 2014, corresponding to 9.0% of total EU GI sales value. Data from French controls indicates that the rate of infringement via the internet is double the average infringement rate. This, together with the fact that GIs are not considered a valid Intellectual Property Right title under the UDRP (Domain-Name Dispute-Resolution Policy), would indicate that there is an enforcement issue regarding the use of GI names, and in particular in domain names on the internet.

Difficulties related to the implementation of controls were identified by Member States as a result of the wide range of products to be verified (including non-EU products), the different marketing channels used (including online sales) and the divergent national implementation. These enforcement challenges and gaps will be addressed in the context of the upcoming revision of the GI and TSG schemes.

The value-adding characteristics of GI/TSG products can give farmers and producers a price premium and a better income. However, the benefits of the GI and TSG schemes are far from being systematic and the fair return depends heavily on the economic environment of the product, the governance arrangements and the producer group's strategy implemented. Although the analysis suggests that producer groups are the main drivers for structuring the value chain and establishing a GI/TSG product strategy, their structure, legal capacity and the roles in the management of the schemes are not set out clearly at EU level for all GI sectors and legal adjustments are needed.

The evaluation also suggests that GIs and TSGs have a positive impact on local employment and can lead to greater diversification, e.g. through synergies with tourism.

Although understanding and recognition of the GI and TSG schemes and logos vary considerably between Member States, the overall conclusion is that awareness of the logos is relatively low and that consumers confuse the different schemes, showing limited effectiveness in providing clear information. This is despite the fact that the producer groups' main incentive in joining a GI scheme is to raise awareness of the product name. The Impact Assessment will analyse the drivers of this problem further and look into different options, such as making the use of the logos obligatory for all sectors.

## **6.2. Efficiency**

The GI/TSG framework for GIs and TSGs is assessed as efficient in terms of costs and benefits for private stakeholders and public bodies. Public costs for GI/TSG management and controls are estimated as low as 0.12% of total sales value and the average costs for the producer groups are 0.5% of the sales value.

The evaluation also assessed whether there is room for simplification and reducing administrative burden, in particular as regards to the registration, amendment and cancellation procedures and controls on compliance with product specification. Analysis shows that the lengthy registration and amendment procedures, both at national and EU level, are the main source of administrative burden. To speed up the treatment of applications, the evaluation support study on GIs/TSGs suggested changes to the EU procedural rules and to the management of the schemes, combined with guidance and training initiatives.

### 6.3. Relevance

The evaluation concluded that the objectives of the GI and TSG schemes are addressing the actual needs of the various stakeholders. However, due to the low awareness and understanding of the schemes in some Member States, such relevance is not necessarily perceived by consumers.

GIs are considered a strong asset for rural territories and an important tool for promoting regional identity. Considering their limited number, no specific conclusions could be drawn as regards names protected as TSGs. Strengthening GIs and TSGs through rural development support responds primarily to the need to enhance integration in the agricultural sector and meet consumer demand for food quality.

With the launch of the European Green Deal and the Farm to Fork Strategy, societal concerns relating to sustainable food systems are high on the agenda. Although environmental protection and animal welfare are not the main objectives of GI/TSG production, the evaluation assessed whether and to what extent product specifications incorporate such considerations. Most of the producer groups surveyed declared that product specifications consider environmental and animal welfare issues, often showing a positive correlation with organic production. However, this is a slow, non-systematic process, with varying levels of voluntary commitment and high reliance on initiatives by producers. Options for integrating sustainability concerns better into the GI and TSG schemes are proposed in the Impact Assessment report.

These conclusions are based on the evaluation support study on GI/TSG<sup>147</sup>, the public consultation and in-house data and information analysis.

### 6.4. Coherence

The GI and TSG schemes are in general coherent with EU trade marks, national/regional schemes, other CAP instruments and other EU policies.

The GI and TSG schemes have similar intervention logics and pursue common objectives. However, PDOs and PGIs identify the name of a product of which the quality or reputation is linked to its geographical origin, whereas registered TSG names safeguard the traditional aspects of products and recipes, and require no link to a specific geographical area. In addition, PDOs/PGIs enjoy a higher level of protection than TSGs, because they are recognised as Intellectual Property Rights, while TSGs are not. The producers' interest in TSG scheme is low (only 64 TSGs registered), due to a combination of factors, such as low consumer awareness of TSGs, the complexity of the system and the fact that it does not prevent producers from other regions from using the term. The TSG scheme is to be reassessed in light of its limited attractiveness for producers.

Both GIs and EU trade marks are registered Intellectual Property Rights, intended to regulate the correct use of names and granting protection and specific rights. However,

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<sup>147</sup> Evaluation support study on geographical indications and traditional specialities guaranteed protected in the EU, <https://op.europa.eu/en/publication-detail/-/publication/c1d86ba1-7b09-11eb-9ac9-01aa75ed71a1/language-en>

the two Intellectual Property Rights serve different purposes. While trade marks give to their owner an exclusive right, GIs confer a collective right to all producers in the geographical territory producing according to the defined production rules. Analysis shows that the level of protection offered by the EU legislation on GIs is compatible and comparable to the one offered by the EU legislation on trade marks but that there is a difference in treatment between GI and EU trade marks when they are used in a final products' sales name.

Member States and regions have numerous quality schemes in place, on top of the GI and TSG schemes. The evaluation found that such schemes may share some of the objectives of the EU GI and TSGs schemes and may complement them in such cases, e.g. by covering sustainability and animal welfare issues. As the national/regional schemes do not offer Intellectual Property Right protection<sup>148</sup>, no incoherence was found.

The assessment concluded that the objectives of the GI and TSG schemes are similar to those of the direct payment system, the CMO, rural development policy, promotion policy and organic policy, and that the schemes are therefore coherent with the other CAP instruments and measures.

Besides assessing coherence with the CAP, the evaluation looked at the relationship between the schemes and other EU policies e.g. food safety, health, information to consumers and trade policy.

Coherence was established between EU quality policy and food safety policy, as all food products (including GI and TSG products) have to comply with the applicable EU legislation. As regards health, as the rationale of the GI and TSG schemes is linked to origin, product specificities and know-how, the two policies pursue theoretically different objectives. Therefore, no direct inconsistencies were found.

As regards the food information for consumers, the FIC regulation applies without prejudice to the arrangements for GI and TSG products, thus ensuring coherence between the two policy areas. Both legislations also aim at providing, by means of labelling rules, reliable information for consumers and are therefore also coherent in terms of their objectives.

EU quality policy is aligned with trade policy. GI protection provides opportunities for growth and jobs, thus contributing to trade policy objectives. Therefore, the two policy areas present synergies as regards their objectives achieved.

These conclusions are based on the evaluation support study on GI/TSG<sup>149</sup>, the public consultation and the in-house data and information analysis.

## **6.5. EU added value**

Having a common framework for GIs and TSGs provides clear added value by ensuring homogeneity in terms of sectoral scope and level of protection. Without this framework

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<sup>148</sup> There are examples of quality schemes names registered as trade mark (for example Campo y Alma).

<sup>149</sup> Evaluation support study on geographical indications and traditional specialities guaranteed protected in the EU, <https://op.europa.eu/en/publication-detail/-/publication/c1d86ba1-7b09-11eb-9ac9-01aa75ed71a1/language-en>

at the EU level, such schemes might not exist in all Member States or could result in very divergent approaches.

The evaluation concluded that scrutiny at EU level ensures uniformity and prevents unequal treatment, thus contributing both to the integrity of the internal market and common standards for trade with partners in non-EU countries.

## 6.6. Lessons learned

The evaluation concludes that overall, the GI and TSG schemes meet their core policy objectives. They deliver a wide range of possible benefits for stakeholders such as a fair return and competition for farmers and producers, although not systematically in all Member States. The main limits are the low consumer awareness and understanding of the schemes in some Member States and certain weaknesses in controls at the downstream stages of the value chain. The other core policy objectives - upholding GI as Intellectual Property Right, the integrity of the internal market, and helping the producers of TSG products to safeguard traditional methods of production and recipes - are in general achieved. The GI and TSG schemes also contribute to the achievement of rural development objectives e.g. by maintaining diversified agricultural production and developing rural economies.

However, the evaluation also identified the following **areas for improvement**:

**Control and enforcement** weaknesses were detected in the downstream stages of the value chain. Differences in implementation cause difficulties for enforcing producers' Intellectual Property Right outside the Member State of production. In addition, GIs and TSGs cover a wide range of products, which are sold through various outlets (including online) further hampering effective enforcement. These enforcement challenges and gaps should be further assessed and addressed in the context of the upcoming revision of the GI and TSG schemes.

Another issue that was highlighted is closely linked to the Commission's new political objectives, in particular under the European Green Deal and the Farm to Fork Strategy. **Sustainability concerns** have become more accentuated in recent years, but GI and TSG production does not or not systematically take them into consideration. The Impact Assessment report should examine the feasibility of incorporating sustainability concerns in the schemes and propose possible ways forward.

A major factor limiting the attractiveness of GIs and TSGs is the **low consumer awareness and understanding** of the schemes (and logos). The Impact Assessment report should further analyse the drivers of this problem and propose possible solutions.

**Producer groups** play a pivotal role in managing GIs and TSGs. However, the evaluation found that the tasks they are entitled to carry out differ widely across sectors and Member States, as they are defined at EU level only for the agri-food sector and not for wines, aromatised wine products and spirit drinks. The possible roles of producer groups could be further assessed and developed.

**Lengthy and complex procedures**, both at national and EU level, are considered the main irritant and source of administrative burden. To speed up the treatment of applications, the possibilities of better Commission guidance and training initiatives should be analysed.

The **limited number of registered products** points to a lack of interest in the TSG scheme and the difficulty of protecting traditional production methods across the EU. The review process should reassess the scheme in the light of its limited attractiveness for producers.

Qualitative information was used for many aspects of this evaluation as the information on GIs/TSGs is rich but the level of detail is heterogeneous and **the available data is not structured** in a database, so not easily searchable. This is hampering the assessment of the policy. Monitoring of GIs/TSGS at national level and further research into this topic could be encouraged.

## **1. ANNEX 1: PROCEDURAL INFORMATION**

### **1. Lead DG, Decide Planning/CWP references**

Lead DG: Directorate-General for Agriculture and Rural Development (DG AGRI)

Decide planning reference: PLAN/2018/4906

### **2. Organisation and timing**

This policy evaluation project was included in the DG AGRI evaluation plan. It followed the “Better Regulation” guidelines on evaluations. The evaluation work was carried out through an external evaluation study, contracted through an open call for tenders conducted in conformity with the DG AGRI procedure for the organisation and management of policy evaluations carried out by external contractors. The project was supervised under the technical and contractual management of DG AGRI Unit C.4 (Monitoring and Evaluation).

The Commission set up an Inter-service Steering Group (ISSG) on 5 March 2019, with a mandate to provide information, prepare the terms of reference, monitor the work of the external study team, discuss and give advice on the approval of the final report and comment on the draft evaluation Staff Working Document (SWD).

The ISSG was composed of representatives of the Secretariat-General of the Commission, DGs AGRI, GROW, SANTE and TRADE, and the JRC and the EUIPO. It held nine meetings, the first of which was on 28 March 2019.

An evaluation roadmap published on 29 April 2019 set out the context, scope and aim of the exercise. It presented the questions to be addressed under the five evaluation criteria (effectiveness, efficiency, relevance, coherence and EU added value). In the feedback period, 15 contributions were received; these did not require changes of the approach to the evaluation.

The external contractor began work on the evaluation support study on 18 December 2019. The final deliverable was received on 5 February 2021. Together with the public consultation (open from 4 November 2019 to 3 February 2020), the evaluation support study provided the basis for this SWD.

### **3. Exceptions to the better regulation guidelines**

None

### **4. Consultation of the Regulatory Scrutiny Board**

The Regulatory Scrutiny Board scrutinized this evaluation SWD in a meeting on 2 June 2021. It delivered a positive opinion but suggested some improvements. The Board’s comments have been addressed as follows:

Regulatory Scrutiny Board remark	Improvements in the SWD
The report is not sufficiently clear on what the four Regulations were meant to achieve and to what extent they are effective	More details on the legal framework delivering on all of the objectives has been included in the SWD. The evaluation concludes that one of the shortcomings of the GI/TSG policy implementation is the fragmented legislative framework.
The report does not indicate if the four Regulations are still relevant today in view of changed political priorities and societal developments (e.g. increased focus on sustainability, digitalisation of sales)	Health concerns, animal welfare and environmental sustainability are not among the objectives set in the current EU legal framework for GIs and TSGs. However, there is a growing demand for the food and drinks value chains to consider these matters in their practices. The text has been updated as regards sustainability and digitalisation of sales.
The report's conclusions are overly positive and do not sufficiently reflect the limited availability and robustness of data.	The section 4.3. <b>Limitation and robustness of findings</b> has been updated by adding the analysis of the applicability of the conclusions. Different data resources, on which the conclusions are based on, have been added to the text.
The report lacks clear lessons learnt that could serve as orientation for future decision-making.	The current ex-post evaluation is an intermediate stepping stone in a long process towards policy revision. The lessons learned of the SWD fed into the Impact Assessment, where different policy options will be assessed. The lessons learnt has been updated as regards the next steps.

## 2. ANNEX 2: STAKEHOLDER CONSULTATION

### **Roadmap feedback**

Stakeholders had the opportunity to provide feedback on a **Commission roadmap** from 29 April 2019 - 27 May 2019<sup>150</sup>. Altogether, 15 contributions were received: from five non-governmental organisations, four business associations (including three microenterprises and one large enterprise), three business organisations, one consumer organisation, one EU citizen and one another organisation. The respondents were based in: Belgium, Czechia, France, Germany, Italy, Portugal, Slovakia and the USA.

### ***Initiative welcomed***

Overall, the respondents recognize the role of GIs/TSGs in adding value to the EU food production and they praise the protection of regional specialities. They support the EU quality schemes as a means of augmenting the value of quality products from specific regions and Member States and of raising awareness on third country markets of the special characteristics and benefits of EU products. They indicate that EU quality schemes should be continued.

The respondents raised the following issues:

- the importance of the clear and reliable information to consumers;
- the need to simplify the registration process;
- differences in the treatment of agricultural products and wine;
- the need for sustainability and environmental standards in the future framework; and
- implementation of GI controls in the Member States.

### **Open public consultation**

From 4 November 2019 to 3 February 2020, the Commission services conducted an open public consultation (OPC) in all official EU languages except Irish. The public consultation was organised via using EUSurvey and published on the Europa website<sup>151</sup>. The aim was to gather the views of public authorities, stakeholders and members of the public.

The results of the OPC were summarised extensively in the factual report, which provides an overview of responses to the questions and information on the profile of respondents by country of origin and stakeholder category<sup>152</sup>.

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<sup>150</sup> <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/2029-EU-food-quality-schemes-evaluation>

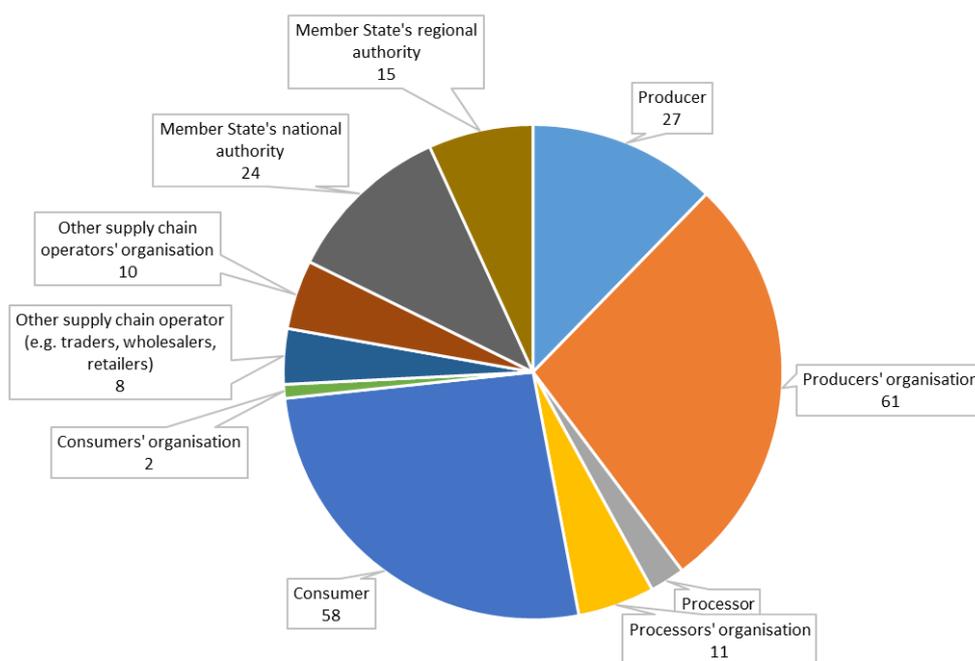
<sup>151</sup> <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/2029-Evaluation-of-Geographical-Indications-and-Traditional-Specialities-Guaranteed-protected-in-the-EU/public-consultation>

<sup>152</sup> <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/2029-Evaluation-of-Geographical-Indications-and-Traditional-Specialities-Guaranteed-protected-in-the-EU/public-consultation>

A total of 233 contributions (and 33 accompanying position papers) were received from 21 EU Member States<sup>153</sup> and four third countries (Mozambique, Qatar, South Africa and the United States).

Private individuals provided the most contributions accounting for 28% of all respondents (number of responses ‘N’=65), followed by company/business organisation for 21% of all respondents (N=50), public authorities for 18% of all respondents (N=41) and business associations for 12% of all respondents (N=27). Of all the respondents, NGOs accounted for 6% of the total responses (N=14), academic/research institutions 4% (N=9), and trade unions 1% (N=3), and there was a single submission from non-EU citizens (0.43%). The remaining 10% (N=23) of respondents identified themselves as ‘others’.

**Figure 16 Overview of the type of the respondents of the public consultation.**



Source: Public Consultation

The main results of effectiveness, efficiency, relevance, coherence and EU added value of the open public consultation are presented below.

### Effectiveness

An overall majority of respondents agreed that the EU quality schemes meet their main objectives as set in the legal framework<sup>154</sup>. Overall, 32% “totally agreed” and 33% “tended to agree” that all the objectives were met, while 13% “tended to disagree” and 7% “totally disagreed”. The remaining 14% of the respondents had no opinion.

The replies on the individual objectives of the quality schemes varied:

<sup>153</sup> Including the United Kingdom, which was considered as a Member State for the purpose of the consultation (and in line with the observation period).

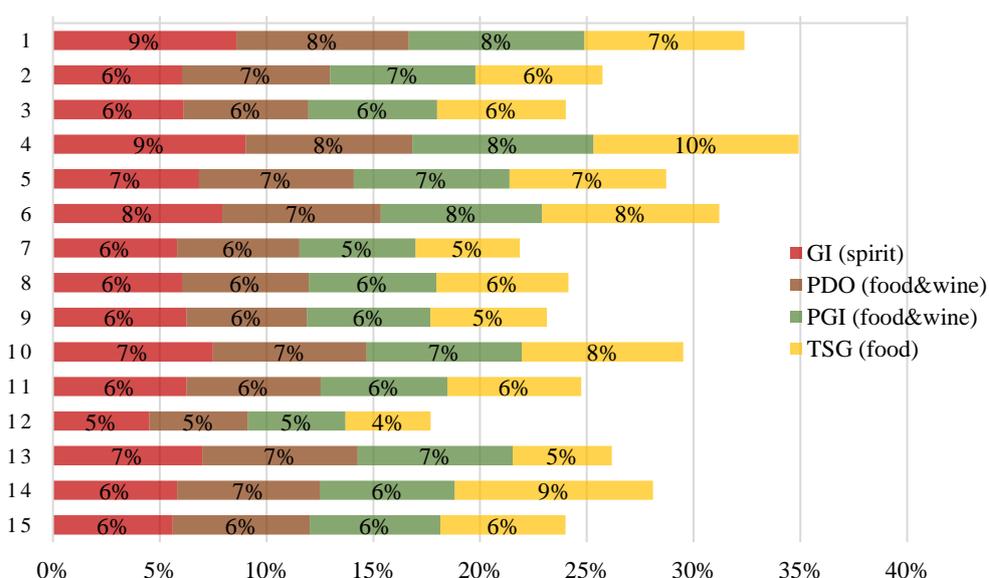
<sup>154</sup> For details and links to legal texts see the dedicated page on the [Commission's website](#).

- a) provide useful information to consumers about the geographical origin and specific characteristics of products – 72% agreed (“totally” and “tend to” combined);
- b) promote the authenticity of registered products and consumer confidence in registered products – 78% agreed;
- c) protect and enforce the producers' rights (including on internet) – 71% agreed;
- d) help strengthening the position of producers in the value chain – 74% agreed;
- e) preserve and develop rural areas (i.e. their socio-economic sustainability, as well as cultural and gastronomic heritage) – 72% agreed;
- f) contribute to protecting the natural resources or landscape – 56% agreed but 29% disagreed (“totally” and “tend to” combined);
- g) contribute to improving the welfare of farm animals – 38% agreed and 34% disagreed.

As for responses by quality scheme, more than 70% of the respondents considered that the PDO and PGI schemes met the regulatory objectives. A majority of respondents (over 50%) considered that the GI scheme also met the regulatory objectives. On the other hand, 25% were not convinced that the TSG quality scheme met those objectives.

As regards the list of **incentives and disincentives** (Table 5. List of incentives and disincentives Table 5), respondents could choose which of the options of the lists incentivised (Figure 17) them to participate in EU quality schemes or did not incentivised them (Figure 18). There was no clear majority option selected by respondents in the incentives, though in disincentives, the “higher costs related to the application, certification, and inspection” was chosen as the most significant disincentive.

**Figure 17. Incentives to participate in the EU quality schemes (in %)**



Source: Public Consultation

**Table 5. List of incentives and disincentives**

N°	Incentives	N°	Disincentives
1	Exclusive use of the protected name and enforcement of the position of producers	1	Higher production costs
2	Strengthen the position of producer groups in the value chain	2	Higher marketing costs
3	Keep business economically viable	3	Higher costs related to the application, certification, inspection
4	Useful marketing tool	4	Stricter inspections
5	Quality assurance signal	5	Not sure that good quality control could be enforced along the supply chain
6	Differentiation of product	6	Uncertainty of market demand or low demand
7	Traceability tool	7	Missing regional roots (lack of local identity)
8	Increase own firm's reputation	8	No added value
9	Access to new markets	9	No need because have own trademark
10	Credibility of product	10	No need because strong market position already
11	Higher price premium	11	Not enough public support
13	Affinity with the region		
14	Protection of traditions		
15	Regional development and tourism		

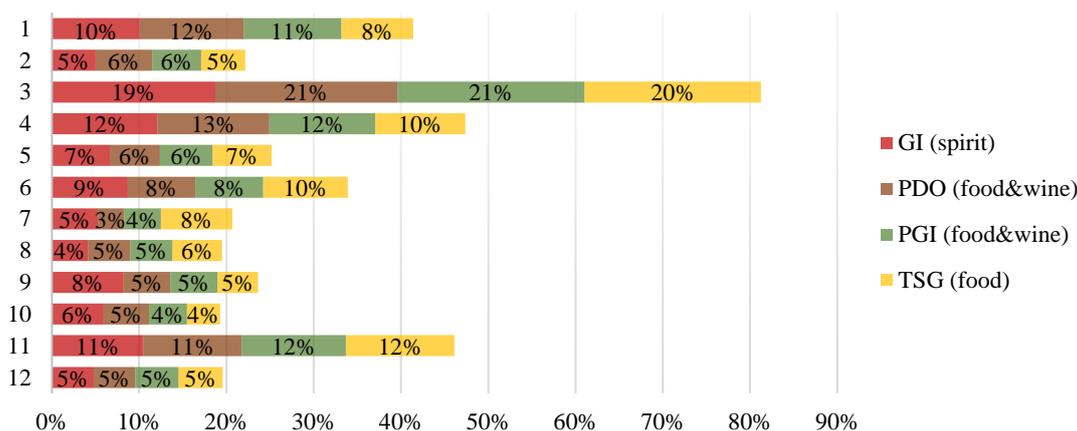
Source: Public Consultation

**Table 6 Most selected incentives to participate in the EU quality schemes per category of respondents**

Stakeholder group	Total respondents (N)	Responses to Q4		The most selected disincentive		The least selected disincentive	
		N	%	Ref n.of the disincentive *	N of response s/disincentive	Ref. n. of the disincentive	N of response s/disincentive
Academic/research institution	8	47	5%	6	5	2&4	1
Business association	22	134	13%	3	21	5	5
Company/business organisation	49	226	22%	3	38	8	5
Citizens (EU& Non-EU)	63	252	25%	3	43	9	11
Non-governmental organisation (NGO)	14	57	6%	3&11	10	8&10	1
Public authority	39	174	17%	3	31	5	4
Trade union	2	11	1%	3,4 &10	2	2,5,6 & 7	0
Other	21	106	11%	11	9	7&10	4

Source: Public consultation

**Figure 18. Disincentives to participate in the EU quality schemes (in %)**



Source: Public Consultation

### Efficiency

Respondents have a generally positive perception about the efficiency of the EU quality scheme. A majority, 65% of the responses, agreed or tended to agree that the **EU quality schemes benefit producers**, while 15% disagreed or tended to disagree. Regarding the **benefits perceived by respondents to consumers**, they are rated even higher (69%) and negative answers are similar (16%). The remaining respondents had no clear opinion on the questioned aspect.

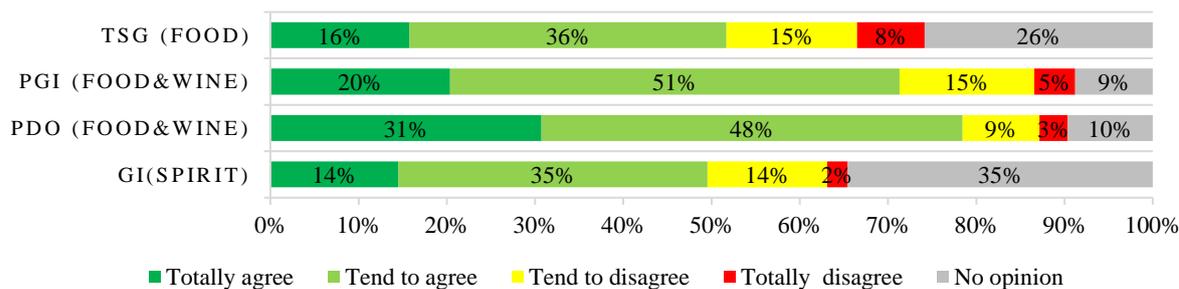
**On the question whether ‘greater efficiency could potentially be achieved by the unified registration, amendment and cancellation procedures for EU quality schemes’,** the majority of respondents (83%) replied positive (i.e. replied “totally agree” or “tend to agree”), 10% disagreed and 8% had no opinion.

### Relevance and coherence of the EU policy

A majority of the respondents (62%) were positive about the **consistency between the aims of the EU quality schemes** and the needs of the supply chain operators i.e. producers, processors, traders, wholesalers, and retailers. Looking at the breakdown per type of scheme, considerable differences could be noticed. TSGs were found coherent by 52% (sum of “totally agree” and “tend to agree” responses) of the respondents, not coherent by 16% (sum of “tend to disagree” and “totally disagree”) of the responses, and the remaining 32% had no opinion. For PGIs and PDOs the results were similar, slightly above 70% of the respondents found them coherent, around 12% not coherent, and the remaining 15% had no opinion. Lastly, GIs (spirit drinks) were found coherent by 53% of the respondents, not coherent by 10% of the responses, and the remaining 37% had no opinion.

A very similar distribution of responses was found on the perception whether **the EU quality schemes met the expectations of consumers**. (Figure 19).

**Figure 19. Consistency of EU quality schemes with consumer expectations (in %)**

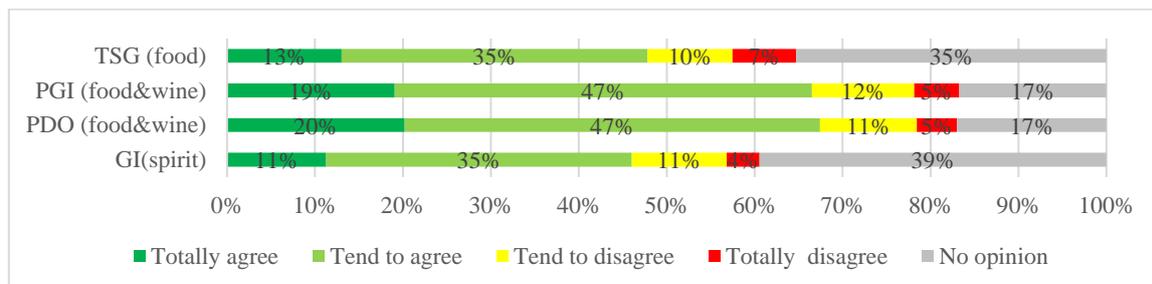


Source: Public Consultation

A high number of respondents (68%, N=149 of replies) agreed that **EU quality schemes contributed and complemented other instruments and measures of the Common Agricultural Policy**, whereas 20% of the respondents disagreed, and 12% had no opinion.

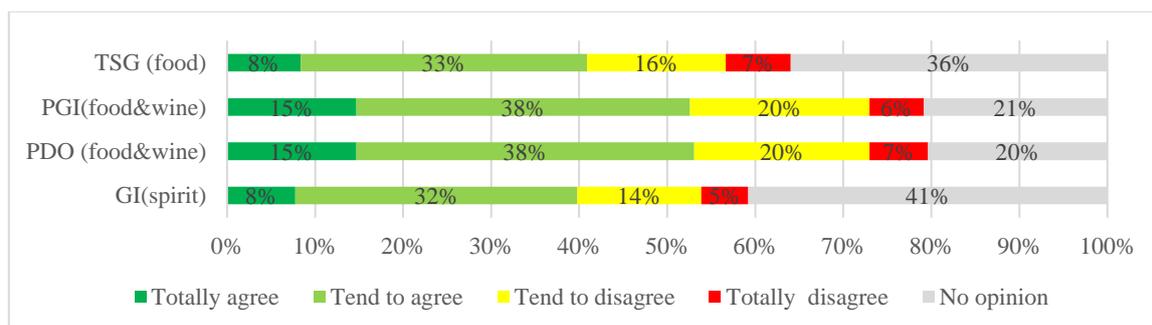
The respondents were less convinced about the consistency of EU quality schemes with **public national and regional quality (Figure 20)** and even less confident about consistency with **private labels and certification schemes (Figure 21)**

**Figure 20. Coherence of EU quality schemes with MS public quality schemes (in %)**



Source: Public Consultation

**Figure 21. Coherence of EU quality schemes with private labels and certification schemes (in %)**



Source: Public Consultation

### EU added value

27% of the respondents were clearly positive about the additional benefits of the EU quality policy and schemes in comparison to what the national and regional quality schemes could already provide for, while the majority of the respondents (65%) were neutral and the remaining 8% clearly negative<sup>155</sup>. ‘Harmonisation’, ‘protection’ and

<sup>155</sup> The average sentiment (negative, neutral or positive) based on a number of textual indicators (adjectives and adverbs, negation, etc.) could be computed for 95% of the provided replies and was relying on

‘promotion’ were the most often used key words in the respondent’s opinions about the benefits of the EU quality policy.

### **Summary of the position papers of the open public consultation**

In addition to the responses to the questionnaire, it was possible to give comments and upload additional papers. Altogether 33 documents<sup>156</sup> were uploaded. Position papers were submitted from 9 countries, including Belgium, France, Germany, Ireland, Italy, Poland, Portugal, Spain and the USA.

The number of respondents differed highly between EU Member States, but the largest share came from Member States, which also account for a high number of names protected under the EU quality schemes, i.e. France, Germany, Italy, Portugal and Spain.

Of all the respondents, the majority (as a share: around 28%, and in absolute terms: N=8) were NGOs, followed by business organisations (N=7), public authorities and business associations (6 position papers each) and trade unions (N=2).

### **Effectiveness**

In total, there were 33 contributions to the criteria of effectiveness. Overall, the respondents recognize EU quality schemes’ ability to preserve and develop rural areas. However, a common suggestion is to provide better information to consumers and guarantee the specific qualities of GI products. A common theme is further to incorporate sustainability criteria and several submissions ask for better integration of animal welfare standards to GI specifications and to establish effective enforcement of such rules.

As regards incentives for participating in EU quality schemes, a common theme for most submissions is to strengthen the position of producer groups in the value chain. One business organisation indicates that producer groups should have the possibility to implement specific programmes for coordinated activities within their value chains, while another one calls for a legal framework that recognizes the role played by producer groups in the management and protection of GIs. Furthermore, some issues were raised, regarding the need for enhanced controls and protection of products in transit across the EU and on the internet. Another business organisation calls for reinforced communication to increase the reputation and credibility towards consumers and other actors in the downstream industry. A trade union further outlines that GIs should play an exemplary role in contributing to sustainability.

The major disincentives to participate in quality schemes identified by the respondents are the burdensome procedure for registration and amendment of GIs and the high managing costs especially for small producers. One submission points to the difficulty for small producers to get involved into the bigger organisation and put ideas into practice. Furthermore, this organisation also highlights the higher costs for artisanal products. One business association complains about the unfair competition between real local producers and national players who have reduced production costs and bigger

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[VADER](#) (Valence Aware Dictionary and Entiment Reasoner) – the analysis tool, developed by C.J. Hutto at the Georgia Institute of Technology

<sup>156</sup> As one business association uploaded the same document several times, the number of different position papers that were considered in the analysis amounts to 29

promotion budgets. As regards controls/enforcement, several submissions ask for transparent and coherent control rules at production and distribution stage. One main disincentive for registering GIs is the lack of awareness and the poor recognition of EU symbols and one business organisation points out that conflicting interests between GIs and trademarks exist, creating a high level of uncertainty.

### **Efficiency**

Efficiency of EU policy was addressed by 19 submissions. To provide good 'value for money' for producers and consumers, the protection of EU quality schemes should be strengthened. One business organisation suggests to protect more effectively against attempts by third parties to abuse the GIs reputation and that registered GI names should also be protected against bad faith registration in second level domain names, i.e. website names.

Overall, the respondents recognize the high protection against infringement and GIs as marketing tool to justify higher prices as major benefits on the producer side. Consumers mainly benefit from the high quality of the products and the assurance of strict controls. GIs guarantee preservation of traditions, reliability and traceability of the production process. Benefits of the GI schemes in relation to regional development include economic strengthening of rural areas and the promotion of tourism.

However, respondents also recognize some disadvantages. On the producer side, a common disadvantage is the long and cost-intensive application process. Submissions also complain that GI registration requires substantial public investment both at national and EU level.

Altogether four submissions replied to the question to what extent all current EU quality schemes are necessary. Both a business organisation and a public authority are in favour of keeping the double system with PDOs and PGIs and ask for keeping the sector specific rules. While another public authority calls for maintaining TSGs, a NGO indicates that the role of TSGs has to be reconsidered and asks for more communication and promotion efforts.

When it comes to the question if greater efficiency could be achieved through unified registration, amendment and cancellation procedures for EU quality schemes, the opinions are mixed. While one business organisation calls for a unified registration, amendment and cancellation procedure, another one favours keeping the four sector specific rules and the traditional terms. Besides, a NGO suggests one single law for all GIs and TSGs, however, with specific provisions for each regime. Another business organisation calls for stricter eligibility criteria and clarifying labelling rules for processed products using a GI as an ingredient. To overcome the difficulties concerning GI registration, it is further recommended by this business organisation to provide trainings for the professionals involved in the process of GI registration.

Concerning simplification of the legal framework for EU quality schemes, 8 contributions were made. A common suggestion is simplification and harmonisation of the administrative procedure for GI registration and amendment. One business organisation asks for harmonisation of the national treatment of GIs in different Member States and it is suggested to clarify the implementation modalities for controls of TSGs as they are supposed to differ across Member States. As regards the control system, on the

one hand, more flexibility is asked for the Member States and on the other hand, a public authority calls for making control rules more precise. Two public authorities recognize a notification requirement prior to the first marketing by the manufacturer to allow for more stringent implementation of the control obligation. It is also suggested to use a manufacturer list for carrying out market controls on PDOs and PGIs as the lack of capacity (resources?) in controls might significantly limit the value added of the excellent products and increase the risk of fraud. Furthermore, respondents call for clearer information to producers on the costs and benefits of the system and to consumers on EU quality schemes. One public authority also recognizes that there is a lack of centralized information on production and producers and asks for better information on the registration process, controls, and infringements at national level. Some issues were also raised concerning the possibility to adapt production specifications to climate change and technical developments.

### **Relevance of EU action**

There was only one submission to the question, ‘whether the aims of EU quality schemes are consistent with the needs of the supply chain operators’. It is suggested that the role of GI producer groups should be strengthened i.e. concerning supply regulation.

Regarding the question ‘to which extent the aims of EU quality schemes have met consumers’ expectations’, one public authority calls for simpler and more effective communication to raise consumers’ awareness. One business organisation further indicates that there are difficulties for consumers to identify and differentiate the logos, especially for TSGs, who are less known.

### **Coherence**

As regards coherence of EU quality schemes with the CAP, several contributions were made. One business association recognizes that CAP support is needed for collective investments and certification support, information and promotion. It also indicates that control and legal costs should be covered and asks for increased funds for promotional activities. One business association suggests that some control and legal costs should be co-funded by public money and subsidies for promotional activities should be increased. One business organisation says that GI products should be allowed to integrate references to ‘environmental certification’ into their product specifications, even if these criteria are not directly linked with the demands of the designation. As regards rural development policy, one business organisation suggests to adopt specific measures on GIs and introduce a horizontal priority for GIs and quality products. It also calls for better regulation of the relation between GIs and trademarks at national level and stronger coherence and coordination with other EU policies. When it comes to coherence with EU trade policy, it is asked for a systematic consultancy of all European GIs to redact a list of products to be protected in each trade agreement.

There was one complaint that EU quality schemes are not consistent with private labels/certification schemes, which would lead to confusion for consumers.

### **EU added value**

Both, a NGO and business associations recognize the benefits of EU quality schemes. One business association suggests giving the EC and the respective Member State the

full responsibility on the selection of GIs that should be protected in third country agreements, which should be as close as possible to the EU protection level.

## **Additional questions on the use of EU quality schemes**

### **Use of Union Symbols/Logos**

While one public authority suggests to align labelling rules to the other legislation concerning PDO and PGI, a NGO asks for revision and restyling of EU quality schemes' symbols and suggests to combine this with a new approach to inform the public about the EU food quality system and to raise awareness among consumers.

A common theme for most submissions is the low level of consumer awareness of PDO/PGI/TSG designation logos and a call for more promotion and better consumer education.

One submission also indicates the competition between national and regional quality signs on the one hand, and GIs with different guarantees and conditions on the other hand.

### **Monitoring of GIs**

There is also a call for periodically collected and published consolidated economic data on the GI sector, which would allow more efficient promotional campaigns to be implemented.

### **Communication/Education**

A common suggestion is to further develop and intensify communication and education, which is a basic requirement for a general acceptance of the EU food quality schemes.

### **Extent of Protection**

As indicated by one submission, for generic names and accession to the Lisbon Agreement, additional procedural rules should be added in Regulation (EU) 1151/2012 for cases where the name of a product is generic in the EU but not in a third country. Another suggestion for the extension of the protection of a PDO is to refer to the localities, regions, districts, the respective geographical scope of the PDO and by reference to products of the same or similar nature. However, the protection should not be extended to a larger geographical area or beyond the area of cultivation or production of the corresponding PDO.

### **Timing of Evaluation**

One business organisation feels concerned that such evaluation may result in a mere bureaucratic task rather than a much-needed opportunity to critically reflect on how to design a fairer GI system that adequately protects legitimate GI producers as well as safeguarding the rights of users of common food names.

### **Generic Names**

One submission urges the EC to publish guidance based on objective criteria to determine what constitutes a generic name in order to guide decisions to grant or reject an application. Furthermore, one submission asks the EC to put in place more streamlined and simple procedures, to prove that a registered name is in fact generic or has become generic, as it implies that the consumer is able to properly distinguish and

recognise the protected product from the one that is not the same, despite sharing the same or comparable features.

### **Civil Dialogue Group (CDG) on 3 July 2020**

At the CDG meeting of 3 July 2020, the Commission representative presented the state of play of the evaluation, illustrating its scope, a snapshot of the main outcomes of the Public Consultation held between 4 November 2019 and 3 February 2020 and the timeline for the next steps.

During the meeting the issue of mixing sustainability and GIs was raised. In particular, it was mentioned that GIs are by nature sustainable as they promote the preservation of the social and environmental specificities of designated geographical areas. The Commission acknowledged that the link between GIs and sustainability is an interesting topic that merits further discussion.

### **GI Conference 25-26 November 2020**

The Commission (DG AGRI) together with the European Union Intellectual Property Office (EUIPO) organised ‘Strengthening Geographical Indications (GIs) – on-line Conference 2020’, which took place on 25-26 November 2020.

This conference, built on the success of the jointly hosted Conference of EUIPO and DG AGRI held in Alicante in October 2018, brought together GI and trade mark IP rights practitioners to enable interactive exchange of knowledge. At the same time, it launched a broad public consultation process for the ‘strengthening GIs’ review.

The two half-day Conference featured interactive plenaries and panels covering the following topics: Controls & enforcement: policy issues; Controls & enforcement: Domain Name System (DNS) and internet; Controls and enforcement: PDO and PGI logos use; Sustainability: issues; IP protection of GIs: case law developments; IP protection of GIs: issues; Increasing attractiveness of GIs - Empowering producer groups; REFIT (or how to perfect registration system of GIs); The global dimension of GIs; Non-agricultural GIs.

Stakeholders across the food value chain, Member State officials, IP practitioners, international and civil society organisations had a vivid and enriching exchange of views.

Participants amounted to up to 5 000 participants/viewers (average: 2 500 viewers per day) from over 60 countries.

### 3. ANNEX 3: METHODS AND ANALYTICAL MODELS

The evaluation is largely based on an external evaluation support study on GI/TSG, and an open, internet-based public consultation that ran from November 2019 to February 2020.

Work on the evaluation support study started with the reconstruction of the intervention logic of the GI and TSG framework and development of the judgement criteria and indicators on which the evaluation is primarily based. It then focused on a comprehensive descriptive part, which includes an overview of the economic value of GI/TSG, their legislative framework (regulations and rules) and the implementation of scrutiny and controls (in the EU-28 as a whole and in more detail in seven selected Member States).

Various sources and approaches were used to support quantitative and qualitative analysis in respect of each evaluation criterion. The information from different sources was triangulated, ensuring that the analysis is based on solid and cross-checked evidence.

#### 1. Desk research

The main sources for the desk research were:

- the EU Regulations on GIs/TSGs, controls and other policies;
- the “*Study on economic value of EU quality schemes, geographical indications (GIs) and traditional specialties guaranteed (TSGs)*”, AND-I for the DG AGRI, 2019 <sup>(157)</sup>: this study provides economic data on GIs/TSGs at EU and Member State level, a database from this study containing individual data on each GIs/TSGs has been used for some analysis in the context of this evaluation; and
- Results from the H2020 project Strength2Food <sup>(158)</sup> and a subsequent publication: Arfini F. and Bellassen V. “*Sustainability of European Food Quality Schemes – Multi-Performance, Structure, and Governance of PDO, PGI, and Organic Agri-Food Systems*”, Springer, 2019.

#### 2. Survey of national authorities

A survey was carried out among national authorities in charge of quality schemes in each Member State. It covered the following topics: legal basis; roles and procedures for the national implementation of the GI/TSG framework; controls; costs; and relevance and existence of other national/regional schemes and their coherence with the GI/TSG schemes. It was conducted between 21 April 2020 and 15 May 2020 on the basis of a questionnaire in English (except in France, Italy and Spain where we provided a version in the national language). Overall, Member States reacted positively to the survey. The only exception being the United Kingdom which did not provide an answer to the survey. Thus, 27 answers were received from the survey. In the seven Member States <sup>(159)</sup> in which case studies were conducted, the survey was often discussed in the interviews with

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<sup>157</sup> <https://op.europa.eu/en/publication-detail/-/publication/a7281794-7ebe-11ea-aea8-01aa75ed71a1>

<sup>158</sup> <https://www.strength2food.eu/>

<sup>159</sup> France, Italy, Spain, Netherlands, Czech Republic, Hungary, Germany

the national authorities, in order to explore certain aspects and cross-check the data obtained.

### **3. Case studies (17 case studies in seven Member States)**

The case studies undertaken in the seven Member States are listed in the table below. Four were in Italy, three in Spain, France and Germany respectively, two in Hungary, and one each in Czechia and the Netherlands. Among the case studies, five cover the wine sector, ten cover agricultural products and foodstuffs and two cover spirit drinks. The following general approach for selecting case studies was applied:

1. Balance between geographical areas: Western / Mediterranean EU : 10 case studies: Italy: 4 (including one in mountain area); France: 3 (including one in mountain area); Spain: 3 + Northern countries: 4 case studies : Germany: 3 (including one multi-country GI in Belgium, Germany, France and Netherlands ) Netherlands: 1; Eastern EU: 3 case studies: Hungary: 2 (including one multi-country in Hungary and Austria) Czechia: 1 (multi-country TSG in Czechia and Slovakia).
2. Balance between sectors: Wine: 5 case studies; Agricultural and food sector: 10 case studies; ( Meat products: 3 case studies Cheese: 2 case studies, Fresh meat: 1 case study, Fruit and vegetables: 2 case studies, Other products (olive oil and beer): 2 case studies) + Spirit drinks: 2 case studies
3. Balance between size of GIs/TSGs: Very large scale GIs/TSGs (over EUR 1 billion): Bayerisches Bier and Pays d'Oc, Large scale GIs/TSGs (between EUR 100 million and EUR 1 billion): Speck Alto Adige and Gouda Holland, Medium scale GIs/TSGs (between EUR 10 million and EUR 100 million): Jabugo, Olio Terra du Bari, Beaufort, many wines and Genièvre, Pálinka... Small-scale and very small-scale GIs/TSGs (below EUR 10 million): Basilico Genevese, vegetable from Reichenau Island, some Côtes du Rhône wines, Cordero Manchego, Spišské párky.
4. Balance on market trends: Increasing sales: Gouda Holland, Basilico Genovese, Beaufort, Stable markets: most of the wines in a context of decrease of EU consumption, Difficult situation: Cordero Manchego, some wines (Regional PDO Côtes du Rhône, some PGIs in Languedoc Roussillon), olive oil Dauno; Market differentiation: Top of the range product: Jabugo, some PDO wines, Basilico Genovese, Medium range products: some PDO wines, PGI wines, Gouda Holland, Bavarian Beer.
5. Balance on the period of registration: Some GIs registered since decades (even registered at national level before the implementation of the EU framework): wines, Beaufort, Speck Alto Adige. Some recently registered GIs/TSGs: vegetables from Rechenau in 2008, Gouda Holland in 2010, Spišské párky in 2011.

**Table 7. List of the 17 case studies conducted**

	MS	Sector	Sub-sector	Scheme	CS	
1	ES	Wine	/	PDO	Ribera del Duero	
2	FR			PDO	Côtes du Rhône	
3	FR			PGI	Pays d'Oc	
4	IT			PDO	Langhe PDOs	
5	HU			PDO	Tokaj/Tokaji	
6	CZ	Food products	Meat product	TSG	Spišské párky	
7	ES		Meat product	PDO	Jabugo	
8	IT		Meat product	PGI	Speck Alto Adige/Südtiroler Markenspeck/Südtiroler Speck	
9	FR		Cheese	PDO	Beaufort	
10	NL		Cheese	PGI	Gouda Holland	
11	ES		Fresh meat	PGI	Cordero Manchego	
12	DE		F&V	PGI	Salate von der Insel Reichenau, Feldsalat von der Insel Reichenau, Tomaten von der Insel Reichenau, Gurken von der Insel Reichenau	
13	IT		F&V	PDO	Basilico Genovese	
14	DE		Beer	PGI	Bayerisches Bier	
15	IT		Olive oil	PDO	Dauno	
16	DE/FR/NL <sup>(160)</sup>		Spirit drinks	/	GI	Genièvre / Jenever / Genever
17	HU/AT <sup>(161)</sup>					

Source: Evaluation support study on GI/TSG

#### 4. Survey of the producer groups

The electronic survey was launched on the 10 April 2020 and ended on 20 May 2020. The questionnaire was sent to 1 875 producer groups in the seven Member States with a specific focus, with valid email addresses. The contractor collected 474 answers with an answer rate of 25% (from 17% to 44% depending on the MS).

The detail between GIs and TSGs is as follows:

- GIs: 1 867 questionnaires sent 474 answers (25% rate of return);
- TSGs: 8 questionnaires sent and 3 answers (38% rate of return): 2 TSGs in Netherlands and 1 TSG in Hungary.

The total sales value of the GIs/TSGs covered by the survey was EUR 23 billion in 2017 <sup>(162)</sup>, this accounted for 37% of the sales value of GIs in the 7 Member States covered (ranging from 22% in Hungary to 80% in Czechia) and 30% of the total sales value of GIs/TSGs at EU 28 level.

GIs accounted for 99.1% of the sales value of the sample: EUR 22.8 billion, this accounted for 31% of the sales value under GI at EU 28 level. The sales value of the 3 TSGs which answered the survey was EUR 200 million sales value, this accounted for 0.9% of the sample and 8% of the EU sales value under TSG at EU 28 level. The small number of answers from TSGs remains a limit to draw specific conclusions on TSGs in the analyses.

37% of responses are from the wine sector, 56% from agricultural products and foodstuffs, 7% from spirit drinks and 0.2% from aromatised wine products.

<sup>160</sup> The GI is multi-countries and covers BE, DE, FR and NL; only DE, FR and NL are covered by the CS.

<sup>161</sup> The GI is multi-countries and covers HU and AT, the case study focuses on AT.

<sup>162</sup> Based on the detailed economic data by GI/TSG from the survey on the Value of GI/TSG products for DG AGRI (2019)

**Table 8. Details on the electronic survey with producer groups**

	Number of PGs			Sales value under GI/TSG (EUR million, 2017)		
	Number of PG targeted (valid address)	Number of answers	Rate of answers	Sales value of the sample	Total sales value at national level	% sample / total sales value
FR	625	183	29%	9 343	26 942	35%
IT	659	137	21%	6 282	15 784	40%
ES	288	87	30%	2 098	7 157	29%
DE	152	34	22%	3 210	8 696	37%
NL	32	14	44%	1 265	1 776	71%
CZ	59	12	20%	747	937	80%
HU	60	10	17%	87	397	22%
<b>GIs</b>	<b>1 867</b>	<b>474</b>	<b>25%</b>	<b>22 833</b>	<b>61 689</b>	<b>37%</b>
<b>TSGs</b>	<b>8</b>	<b>3</b>	<b>38%</b>	<b>199</b>	<b>na</b>	<b>na</b>
<b>Total</b>	<b>1 875</b>	<b>477</b>	<b>25%</b>	<b>23 032</b>	<b>na</b>	<b>na</b>

Source: Evaluation support study on GI/TSG

## 5. Consumer survey

An electronic consumer survey has been implemented in seven Member States through remunerated panels (<sup>163</sup>) (respondents were paid to answer the questions) in April 2020. A total of 400 answers has been collected in each of the seven MS for a total of 2 800 answers. The questions covered:

- the awareness of schemes (logo, acronyms, full label)
- the awareness of national/regional schemes
- the differentiation of the schemes the ones with the other (PDO versus PGI and PGI vs TSG); PDO, PGI and TSG
- the understanding of the guarantees provided by each scheme
- awareness of 42 protected names: seven names common in each MS and 35 names specific to one MS (5 names by Member States)

## 6. FADN data analysis

FADN has been used to assess the impact of GI on farmers' income in the wine sector. FADN does not allow to identify farms involved in GI schemes in other sectors. Analyses rely on the comparison, at national level, between 1) a sub-sample composed of wine farms which do not produce GI grape or wine and 2) a sub-sample composed of wine farms which produce such products. Due to the size of samples, this exercise could be carried out in seven MS: Bulgaria, Greece, Spain, Hungary, Italy, Portugal and Romania. As almost all French wines are under GIs, it was not possible to constitute a control sample of non-GI wine farms. The total sample in the seven Member States was 98 061 farms involved in GIs and 70 139 not involved in GIs.

<sup>163</sup> Conducted with Cint platform