PDO and PGI schemes in the EU – present and future legal framework

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Outline

• GIs within EU agricultural products quality measures
• Administrative and legal framework
• Dissemination and usage of PDO and PGI labelling
• Future policy developments
The EU framework for agricultural product quality policy

- Quality = fulfilling consumer expectations
- EU farmers:
  - respect some of the most stringent farming requirements in the world;
  - use their expertise and imagination to give their products other, individual qualities valued by consumers.
- Quality can sustain competitiveness and profitability of the EU’s agri-food sector
- For farmers as for food producers, doing this means two things:
  - offering products with the qualities that customers want
  - informing customers clearly about the qualities of their products.
Goals of EU agri-quality policy

- Close information gaps between actors in the food chain
- Improve coherence of measures
- Reduce complexity of legislation

=> Improved information for consumers about product characteristics and farming attributes
=> Better markets for agricultural quality products
Main instruments at EU level

- Farming requirements
- Marketing standards
- EU quality schemes (geographical indications; traditional specialities; organic farming)
PDO and PGI – what?

- Community designations for “Geographical indications” (place names used to identify the origin and quality, reputation or other characteristics of products)
- PDO – protected designation of origin
- PGI – protected geographical indication
- Difference? Later!
PDO and PGI – why?

- To enable promotion of products having certain characteristics
- To encourage the diversification of agricultural production
- To improve income opportunities of farmers, particularly in less-favoured or remote rural areas
- To protect the intellectual property of farmers and producers
Legal instruments

- Spirits – Regulation (EC) No 110/2008

For this presentation: focus on agricultural products and foodstuffs!
EC Regulation 510/2006 covers...

• **agricultural products** intended for human consumption listed in Annex I to the Treaty of Rome (e.g., meat; fish; fruit; vegetables)

• **foodstuffs** (not necessarily agricultural products) referred to in Annex I of the Regulation such as: beer, bread, pastry, salt etc.

• **agricultural products** (not in Annex I of the Treaty) listed in Annex II of the Regulation such as: essential oils, hay, cotton
Protection

• Against use of the registered name on products not covered by the registration
• Against misuse, imitation or evocation (even if accompanied by ‘style’, ‘type’, ‘method’, etc.)
• Against any other practice liable to mislead the consumer
• Protection is identical for PDO and PGI!
Logos – Community symbols

- Differences in colour… but not in black and white
- 10% EU consumer recognition (50% in Greece), but low appreciation of difference
- Use of logo or indication compulsory since 1 May 2009
PDO means …

… the name of a region, a specific place or, in exceptional cases, a country, used to describe an agricultural product or a foodstuff:

• originating in that region, specific place or country, and
• the quality or characteristics of which are essentially or exclusively due to a particular geographical environment with its inherent natural and human factors, and
• the production, processing and preparation of which take place in the defined geographical area
PGI means ...

... the name of a region, a specific place or, in exceptional cases, a country, used to describe an agricultural product or a foodstuff:

- originating in that region, specific place or country, and
- which possesses a specific quality, reputation or other characteristics attributable to that geographical origin and
- the production and/or processing and/or preparation of which take place in the defined geographical area.
### Comparison PDO / PGI

<table>
<thead>
<tr>
<th>COMMON POINTS</th>
<th>DIFFERENCES</th>
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<tr>
<td>• Types of products covered</td>
<td>• Nature of the link to the geographical environment (PDO: essentially or exclusively; PGI: attributable)</td>
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<tr>
<td>• Geographical names</td>
<td>• PGI can be based on reputation</td>
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<td>• Originating in the region of which they bear the name</td>
<td>• Number of production steps to be realized in the region</td>
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<td>• Registration procedure</td>
<td>• Protection level</td>
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Examples PDO / PGI:

**PDO**
- Prosciutto di Parma (Italy)
- Volaille de Bresse (France)
- Sitia Lasithi Kritis (Greece)
- Szegedi Salami (Hungary)
- Queso Manchego (Spain)

**PGI**
- Arbroath Smokies (UK)
- Lübecker Marzipan (Germany)
- Westlandse Druif (Netherlands)
- Jambon d’Ardenne (Belgium)
- Marchfeldspargel (Austria)
Application procedure for EU Member States

- Development of a product specification (by producers)
- Submission of the specification to the MS authorities
- Examination of the application in the MS
- Publication and national objection procedure
- Decision by MS authorities
- Transmission of the decision and application to the European Commission.
- Scrutiny of the application by Commission services
- Publication in the Official Journal of the EU
- 6 month objection period
- Registration
Application procedure for non-EU countries

- Development of a product specification (by producers)
- Application comprises: name and address of the applicant group; the specification; the single document; proof that the name in question is protected in its country of origin
- Submission of the application to the Commission either directly or via the authorities of the non-EU country concerned (no national level procedure required)
- Scrutiny of the application by Commission services
- Publication in the Official Journal of the EU
- 6 month objection period
- Registration
What’s in it for the consumer?

• Products linked to a geographical area by way of their specific quality or reputation;
• Product attributes laid down in a specification (publicly available);
• Protection against misuse assures “authentic” products

⇒ consumers know what they’re getting!
Registered Names to date: 906
Registered names by product group

- Fruit and vegetables: 236
- Cheeses: 27
- Fresh meat: 39
- Oils and fats: 26
- Meat products: 24
- Bakery products: 23
- Spices, condiments, etc.: 19
- Honey, eggs, etc.: 11
- Mineral waters: 11
- Beers: 11
- Fish, mussels, etc.: 11
- Others: 0
Production value of PDO and PGI (2007)

- 14.2 billion Euro turnover in total (at wholesale level)
- Estimated 21 billion Euro at retail level
- Excluding wines and spirit drinks
- Slightly higher than the value of the EU organic food sector (12 billion Euro at wholesale level, including wines and spirit drinks)
- Equivalent to the fresh fruit and vegetables sector in the EU, or to the turnover of Danone
Trade of PDO / PGI

- 82% of total turnover at national level
- 13.4% in another EU Member State
- 5% (700 million €) of turnover realised in non-EU countries
- Natural gums and fisheries products have the highest levels of exports outside their national boundaries (54% et 37%).

• 282 PDO/PGI products are sold exclusively in their country of origin
Value of production by Member State

- Important differences among Member States; 96% of the value is shared by 6 Member States: Italy, Germany, France, UK, Spain and Greece.
- These countries represent 81% of the registered PDO/PGI
- The number of registered names is not linked with the overall production value.
Number of PDOs and PGIs and their turnover per Member State (2007)

- **Number of PDOs and PGIs**
- **PDO & PGI turnover**

**Member States**
- Italy
- Germany
- France
- UK
- Spain
- Greece
- Austria
- Czech Republic
- Portugal
- Others

**PDO and PGI turnover (in million Euros)**
- 0
- 1000
- 2000
- 3000
- 4000
- 5000
- 6000

**Number of PDOs & PGIs**
- 100
- 200
- 300
- 400
- 500
- 600
- 700
- 800
- 900
- 1000

- Italy: 180
- Germany: 150
- France: 140
- UK: 130
- Spain: 120
- Greece: 110
- Austria: 100
- Czech Republic: 90
- Portugal: 80
- Others: 70
% of PDO/PGI turnover by product group

- Cheeses: 37%
- Beers: 20%
- Meat products: 16%
- Fresh meat: 6%
- Fruit & vegetables: 4%
- Bakery products: 4%
- Others: 13%
Traditional speciality guaranteed (TSG)

Products with special characteristics (traditional ingredients/traditional production method), e.g.

• Jamón Serrano (ES)
• Mozzarella (IT)
• Traditional farm-fresh turkey (UK)
• Lambic, Kriek, Gueuze (BE)

Only 27 names registered in 28 years – a failed scheme?
Database of origin and registration: DOOR

- Full data
- Date of submission
- Links to summaries and specifications
- Links to official publications
- Links to control body
- For non-EU persons and bodies:
  - On-line applications
  - On-line objections
Towards a coherent EU quality policy for agricultural products and foodstuffs

- **2008**
  - Green Paper consultation

- **2009**
  - Communication (strategic orientations)

- **2010**
  - Dialogue with stakeholders; Impact Assessments
  - Guidelines; legislative proposals

- **15 October**
- **28 May**
- **February** → **June 2010**
- **End 2010**
Communication on agricultural product quality policy (May 2009)

Three main themes:

- **Information**: Improving communication between farmers, buyers and consumers on the quality of agricultural products;

- **Coherence**: Increasing coherence among EU measures on agricultural product quality policy;

- **Complexity**: Simplifying the application of different measures and improving their understanding among farmers, producers and consumers.
Strategic orientations for PDO/PGI

- Clarification of certain issues (e.g., relations with other types of Intellectual Property)
- Simplification (e.g., merging the four schemes for agricultural products, wines, aromatised wines and spirit drinks)
- Seek enhanced protection at international level (bilateral, ACTA)
- Guidelines (non legislative) on use of PDO-PGI as ingredients; and sustainability rules
Next steps

• Continued stakeholder consultations
• Impact assessment of policy options ongoing
• Development of legislative proposals or guidelines
• Adoption by the Commission foreseen for end-2010
• Then: normal legislative procedure (with Council and Parliament)
Thank you for your attention!