How the EU Manages its Origin Product Labels and Product Chain

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EU Quality Designations

**PDO**: Protected Designation of Origin

**PGI**: Protected Geographical Indication

**TSG**: Traditional Speciality Guaranteed

Geographical Indications (GIs)
GIs - 2 types: PDO and PGI

1. geographical area + 2. specific product + 3. causal link = 4. PGI or PDO
PGI and PDO

COMMON POINTS

- Type of products
- Geographical names
- Products have to fully originate in the region of which they bear the name
- Registration Procedure
- Protection level
- Controls

DIFFERENCES

- Link to the geographical environment (stronger for PDO)
- Reputation (only PGI)
- Number of production steps to be realized in the region
- All raw materials originate from the region (only PDO)
Legislation

- Agricultural products and foodstuffs  
  \textit{R(EU) No 1151/2012}
- Spirits – Regulation (EC) No 110/2008
Product specification

It shall include:
• the name of the product
• a description of the product
• the definition of the geographical area
• evidence that the product originates for the geographical area (traceability)
• a description of the method of production
• the link between the specificities of the product and the specificities of the geographical area
• the contact details of the control authorities or bodies
• any specific labelling rules
How to register a GI?

**Producer group**
- Definition of the product according to precise specifications

**National level**
- Analysis by national authorities

**EU level**
- Examination by the Commission
- First publication
  - EU official Journal (C series)
- Opposition period
- Registration

If opposition:
- Consultations between parties; if no agreement decision by the Commission
- Rejection if application is not complying with EU legislation

DOOR
HOW is a GI registered?
The DOOR Database

AGRICULTURE AND RURAL DEVELOPMENT

DOOR

The latest registered designations
The latest published designations
The latest applied designations

Dossier Number | Country | Name          | App Type | Date       | Status
ATPG0021783213 | Austria  | Merchantsparge   | PGI      | 11/03/2014  | Applied
ATPG0020904132 | Austria  | Pissumus Hirschba | PDO      | 16/12/2013  | Applied
ATPG0020799035 | Austria  | Heurich        | TSG      | 27/08/2012  | Applied
ATPG0020589330 | Austria  | Mostlitter Zimm   | PGI      | 12/03/2011  | Registered
ATPG0020652739 | Austria  | Sterlscheiten   | PGI      | 11/12/2008  | Registered
ATPG0020653132 | Austria  | Gallaken Speck  | PGI      | 11/07/2002  | Registered
ATPG0011714823 | Austria  | Merchantsparge  | PGI      | 33/04/2002  | Registered
ATPG0011714439 | Austria  | Tierer Almabse  | PDO      | 26/11/1997  | Registered
ATPG0011714437 | Austria  | Vorentberger Almabse PDO | 13/06/1997 | Registered
ATPG0011714436 | Austria  | Tierer Ertkabse PDO | 13/06/1997 | Registered
ATPG0011714435 | Austria  | Vorentberger Ertkabse PDO | 13/06/1997 | Registered
ATPG0011714433 | Austria  | Waldlitter Streinlmoat PDO | 13/06/1997 | Registered
ATPG0011713938 | Austria  | Tierer Speck PDO | 13/06/1997 | Registered
ATPG0011714429 | Austria  | Gallakota Almabse PDO | 24/01/1997 | Registered
ATPG0011714438 | Austria  | Tierer Girtkabse PDO | 02/07/1996 | Registered
ATPG0011714408 | Austria  | Sterlesche Kurbokkerol PDO | 02/07/1996 | Registered
Overview (Registrations - state of play April 2014)

- **DOOR**: 1181 GI names for agricultural products and foodstuffs (and 46 TSG)

- **E-Bacchus**: 1577 wine GIs

- **E-Spirit-Drinks**: 331 GI names for spirits
  - [http://ec.europa.eu/agriculture/spirits](http://ec.europa.eu/agriculture/spirits)
Trans-border GIs

• In the case of a ‘protected designations of origin’ or ‘protected geographical indications’ name that designates a **trans-border geographical area** or in the case of a ‘traditional specialties guaranteed’ name, **several groups** from different Member States or third countries may lodge a joint application for registration.
Official controls

2 levels:

A) Production (operators: farmers, producers, elaborators)

B) Controls in the market place
Overview PDO/PGI per sector

(February 2014 - n=2743)
Sales value

- **Sales value** of EU Gis (all sectors): **€54.3 billion** in 2010 (estimated at wholesale stage in the region of production)
- 5.7% of the total EU food and drink sector
- Estimate of EU GI **exports** value: **€ 11.5 billion**
- 15% of EU food and drink industry exports
60% of sales take place on the domestic market, 20% on the EU market and 20% in third countries

- 663 GIs sold only in their MS of production
- 1525 GIs exported (1224 wines, 231 agri products, 70 spirits)
- Wines + spirits = 90% of total GI exports (in value)
The premium a GI can expect from the market, compared to non-GI products

→ on average, the price of a GI product is 2.23 times the price of a comparable non-GI products

//!\ does not reflect value added and profitability of the GI schemes as it does not take into account the additional cost of compliance with GI specifications
Conclusion

Geographical indication:
• identifies authentic, quality product, with intrinsic link to its place of production
• helps consumer choice
• gives robust IPR protection
• marketing tool
• Rural development tool
More information

**Agricultural products and foodstuffs**

- **Council and European Parliament Regulation (EU) No 1151/2012**

- **Quality policy web-pages**
  http://ec.europa.eu/agriculture/quality/index_en.htm

- **Study on value of Gis**
  http://ec.europa.eu/agriculture/external-studies/value-gi_en.htm

**Wines**

- **General website**
  http://ec.europa.eu/agriculture/markets/wine/index_en.htm

Questions?

diederik.de-smedratac.europa.eu
Value premium

Figure 32 - Value premium rate for agricultural products and foodstuffs scheme

- Meat products: 1.80
- Olive oil: 1.79
- Beers: 1.62
- Cheeses: 1.59
- Fruits and vegetables: 1.29
- Fish, molluscs and crustaceans: 1.16
- Fresh meat: 1.16

Source: AND-International survey for DG AGRI
Benefits - producer

- Name is reserved to products respecting the specification and are produced in a delimited geographical area (IP protection)
- Administrative protection by public authorities
- Name is not reserved to 1 single owner (TM), but can be used by all producers respecting the specification
- Differentiation on the market allows often a better price and better division of the added value
Benefits - consumer

- **Has a guarantee on**
  - Origin of the product
  - Quality of the product (specification)
  - Authenticity of the product (no imitation)

- Guarantee is assured by controls on production site and on the market.

- GIs prevents the standardization of food and offers a wider choice to consumers
Benefits - society

- **Rural development**
  - **GIs encourage the preservation of:**
    - Biodiversity: plant, animal, ...
    - Local savoir-faire and tradition
    - Landscapes => positive impact on tourism
  - **As an important part of our culture, GIs contribute to social cohesion, rural development**