Note

The reform of EU geographical indications: A look at the newly approved Regulation

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Abstract: The European Union’s quality policy is an example of a public policy that attempts to deliver public benefits to the entire European society. It’s a crucial pillar of the Farm to Fork strategy for the transition to a sustainable European food system. The European Commission presented on March 2022 a legislative proposal on EU geographical indications for wine, spirits, and agricultural products (including PDO, PGI and GI), as well as traditional specialities guaranteed and optional quality terms for agricultural products, amending Regulations (EU) No 1308/2013, 2017/1001, and 2019/787 and repealing Regulation (EU) No 1151/2012 and was approved in April 2024. It aims to increase the dissemination of geographical indications and traditional specialities guaranteed, reduce the time required for their registration and strengthen their protection.

Keywords: geographical indications; sustainable food system; agri-food policies; European regulation

1. Introduction

With a sales value of 74.8 billion euros, of which more than one-fifth of this amount results from exports outside the EU, GIs are a major component of the European cultural identity. To understand the overall importance of these quality schemes, suffice it to say that geographical indications (GIs) represent 15.5% of the total EU agri-food exports [1]. GIs are terms used to define products whose qualities or reputation are attributable to their geographic origin, particularly to the natural or human influences of that location and they include: Protected Designation of Origin (PDO) and Protected
Geographical Indication (PGI) for foodstuffs and wines and Geographical Indication (GI) for spirits and flavored wines. Another quality scheme is represented by the traditional speciality guaranteed (TSG), which is not linked to a specific geographical area but highlights traditional aspects such as the way the product is obtained or its composition.

GIs assure consumers of product authenticity and distinguish these products from others on the market (DeSoucey, 2010; Wirth, 2016). The process of international recognition and protection is an ongoing process that began with the 1883 Paris Convention. After that, GIs have been progressively protected by the Union since the 1970s (wine) and 1992 (agricultural products and foodstuffs), with the establishment of registers in 2020. According to the latest data available in eAmbrosia, the legal register of the names of agricultural products and foodstuffs, wine, and spirit drinks that are registered and protected across the EU, 1629 wine designations were registered in the EU quality regime, together with 1473 agricultural and food PDOs and PGIs, to 248 spirit drink GIs and 61 Traditional Specialities Guaranteed (TSGs) [2].

2. Theoretical background

2.1. Sustainable food system

The need to consolidate the GIs system was initially anticipated in the European Commission’s “A Farm to Fork Strategy” (F2F), the heart of the “European Green Deal” [3], the 10-year plan developed by the European Commission to guide the transition to a fair, healthy, environmentally friendly food system. It aims to accelerate the EU’s transition to a sustainable food system that should have a neutral or positive environmental impact, help to mitigate climate change, reverse the loss of biodiversity, and ensure food security, nutrition, and public health.

The Farm to Fork Action Plan mentions several initiatives that have an impact on GI products, one of which calls for the creation of a legislative framework in 2023. Additionally, GIs were addressed while regulations were being improved to strengthen the bargaining power of producers [4,5]. Furthermore, the current GI effort was listed under REFIT -The European Commission's regulatory fitness and performance programme - initiatives connected to the European Green Deal in the Commission Work Plan for 2021 [6].

Since the proposal for the new Regulation, the European Commission [6] identified six specific objectives and one of the points is about “contributing to making the Union food system more sustainable” offering a valid opportunity to implement further economic, social, environmental sustainability criteria.

From an economic point of view, Geographical Indications help improve farmers’ position in the supply chain, guaranteeing a better price [7,8]. In fact, according to the current Special Eurobarometer Survey [9], almost 80% of Europeans consider that elements like respecting local traditions and know-how, quality labelling, or the geographical origin of a product are crucial when buying food.

From a social point of view, they connect a network of small and medium-sized farms, creating jobs in rural areas and recruiting young farmers to primary agriculture [10–13]. In the end, they contribute to the protection of biodiversity and the environment of specific areas because environmental characteristics play a key role in the qualitative and organoleptic characteristics typical of the Geographical Indication. For this reason, the farmers are interested in maintaining sustainable production techniques and respecting and protecting the area of origin [14,15].

Today’s revision of IG regulation offers a ground for improving these areas, particularly the environmental sustainability. Indeed, GI system was not initially developed for the primary purpose of increasing the environmental responsibility [16].
2.2. *The new Regulation*

The process of updating the rules on the Geographical Indications of the European Union began in October 2020 and after more than 3 years and after long and complex negotiations, the final Regulation was formally approved by European Parliament and the Council on 11 April 2024. Figure 1 briefly shows the steps of the reform process to date.

![Figure 1. Steps of the GIs reform process.](image)

The agreement reached between the European Institutions for a single text on quality schemes covering all sectors (including wine) considers four main key pillars [20]:

1. Strengthening the role of producer groups. Groups (consortia) are considered the real core of GI development and this is the reason why they need to remain in the hands only of producers and operators directly involved in the production phase. Furthermore, Member States could introduce mandatory contribution systems, requiring all producers to bear the costs of the consortium for carrying out its activities;
2. Effective protection. Protection plays a key role in the GIs system. In particular, to make it more effective, work has been done on online protection, which will become ex-officio. In addition, GIs may be used as ingredients in processed products where the percentage of the ingredient designated by the GI is indicated in the label and if the GI is used in sufficient quantities and without using any other product comparable to the GI ingredients. Furthermore, in the case of recognized consortia, processors must inform them of the use of the GI, and must wait for an acknowledgement of receipt, which may include guidelines on the proper use of the geographical indication;

3. Simplifying the registration system. The time required for the Commission's consideration of registration and amendments to GI specifications has been reduced to 6 months (extendable to 5 only if additional information is needed). In addition, the list of amendments that must be approved by the EU Commission has been decreased, reducing the dossiers at the European level and leaving more powers to the Member States. Therefore, the European Union Intellectual Property Office (EUIPO) will maintain a key role in the protection and promotion of Geographical Indications, as well as in the suppression of imitations, both in domestic and third markets, including by keeping the Union register up to date with respect to registrations, amendments and cancellations of GIs;

4. Sustainability and transparency. Sustainability is already an inherent feature of GIs, as these are sustainable products in themselves. To be able to communicate these commitments better, Consortia will be required to prepare an ad hoc sustainability report that explains everything producers already do in terms of environmental, economic, social sustainability and animal welfare. In addition, it will be mandatory to indicate the producer's name on the label of any GI product.

3. Conclusions

After being formally approved on 11 April 2024 by the Parliament and the Council, the Regulation was published in the Official Journal of the European Union on 26 April 2024 for its entry into force on 13 May 2024. [17,20].

The strengthening of the GI system follows the tracks of a path of the European institutions that have already been years in the making toward sustainability. Only after the Regulation comes into force will it be possible to understand what kinds of benefits this new reform has brought and how much it will have strengthened the GI system and benefited farmers and those in the supply chain who work every day to bring quality products to consumers' tables.

This research note aims to highlight the steps of currently normative revision and recognizes the necessity of combining the political actions of the European Union with the needs of a polymorphic production structure dominated by small farms. A significant share of PDO and PGI excellence is in fact produced by small farms. In the same way that researchers have emphasized the need to expand access to rural development measures for small farms, legislative action to strengthen the GI system could also produce beneficial effects to improve their competitiveness and for rural communities [1,18,19]

The GI System, on the one hand now represents a solid element for the market valorisation of the products they protect, in fact it becomes a real marketing tool for companies, on the other hand it becomes a patrimonial asset and territorial revaluation. On this aspect, in fact, obtaining a GI not only revalues the territory in terms of awareness and notoriety, but also makes the land revalue, thus providing wealth to the local community and to the companies, which consequently increase their creditworthiness to obtain greater investment opportunities. In short, this new regulation represents a
real marketing and financial strength tool to strengthen companies, especially small ones, which also operate in marginal rural areas.

Use of AI tools declaration

The authors declare they have not used Artificial Intelligence (AI) tools in the creation of this article.

Conflict of interest

All authors declare that there are no competing interests.

Authors contributions

All the authors have collaborated in the design and writing of the entire article. All authors read and approved the final manuscript.

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