

# **EU Agricultural Quality Policy & Geographical Indications**

## **What is Quality?**

What constitutes 'quality' is a subjective matter in any walk of life, and especially where food is concerned. Quality attributes normally taken into account in an agricultural policy context, apart from the basic prerequisites of health and safety, and taste, relate to:

- Specific product characteristics, often linked to geographical origin or production zone (e.g. mountain areas), animal breed or production method (e.g. organic farming)
- Special ingredients
- Particular production methods often resulting from local expertise and traditions
- Observation of high environmental or animal welfare standards
- Processing, preparation, presentation and labelling in ways that enhance the appeal of the product for consumers.

## **EU Agricultural Quality Policy**

Efforts to improve food quality have been part of EU agricultural policy, from the development of wine quality labelling in the 1980s onwards. Prior to 1992, some EU Member States established their own rules to encourage and protect specific foodstuff names. However these rules were quite disparate throughout the late 1980s and early 1990s, the EU was in the process of completing the creation of its single and barrier-free internal market. Protecting producers of foodstuffs against attempts by others to exploit the reputation of their products was a major concern. Against this background, an EU-wide solution had to be found that enhanced and built on the quality schemes already in existence.

In 1992 the EU introduced a system to protect and promote traditional and regional food products inspired by existing national systems. EU quality policy aims to protect the names of specific products to promote their unique characteristics, linked to their geographical origin as well as traditional know-how.

## **Why have specific measures to encourage high quality products?**

To capitalise on the value of certain products, the EU decided to protect their names, and to establish the conditions under which they could be used so that their specific and traditional character could be preserved. The EU's quality policy for agricultural products and foods aims to:

- Encourage diverse agricultural production
- Protect names from misuse and imitation
- Help consumers to understand the specific character of the products

### **Why have EU Legislation?**

The EU protects by legislation particular product names which are linked to territory or to a production method. Protection of geographical indications and other quality traditions is necessary not only at EU level; measures are also needed to protect traditional products' names from around the world and inform consumers about the authenticity of the products.

The protection given to geographical indications at international level is considerably enhanced by the TRIPS Agreement. Recognised as intellectual property, and as part of the EU's system of IPRs, geographical indications play an increasingly important role in trade negotiations between the EU and other countries, as the names of products registered as GIs are legally protected against imitation and misuse within the EU and in non-EU countries where a specific protection agreement has been signed.

Consumers are increasingly interested in the geographical origin of food and other characteristics such as authenticity and sustainability. The EU recognises this and has developed three 'quality logos'. Product names can be granted with a 'geographical indication' (GI) if they have a specific link to the place where they are made. The GI recognition enables consumers to trust and distinguish quality products while also helping producers to market their products better.

### **What are Geographical Indications?**

Geographical indications and designations of origin are names identifying a product as originating in a given territory, and testifying to a link between a given quality, reputation or characteristic of the product and its geographical origin.

The Quality policy of the EU is based on the strong link between the product and its territory. Geographical Indications are a type of intellectual property. PDO, PGI and TSG designations, linked to a region or to a production method, are protected from imitation and misuse of the name.

GIs, PDOs and PGIs protect the name of a product, which is from a specific region and follow a particular traditional production process. However, there are differences between the three, linked primarily to how much of the raw materials come from the area or how much of the production process has to take place in the specific region.

### **Who can use the name?**

Once a name is registered as a Protected Designation of Origin or Protected Geographical Indication only approved producers from within the defined region or area, following the specific production method, can use that name. If a product is registered as a Traditional Speciality Guaranteed any approved producer may use the name as long as they follow the specifications for that product.

## What products are eligible?

In looking at local products it is important to evaluate the suitability of the product to the GI scheme:

- What is unique about the product?
- What is special about the area?
- How do these characteristics affect the product?

The application must show how this product is different to others and how this is due to the area it comes from.

## The types of Geographical Indications

**Protected Designations of Origin (PDO)** - Product is wholly made within the Geographical area. Product is produced, processed and prepared within the defined geographical area. The product possesses characteristics are essentially due to that area. Irish Example: Imokilly Regato – Produced in Cork, the milk used in the cheese comes from the Imokilly Barony. The production of the cheese is located in Mogeely, also within the area.



**Protected Geographical Indication (PGI)** - Where the product must be produced or processed or prepared in the geographical area and where a specific quality reputation or other characteristics are attributable to that area. Irish Examples: Connemara Hill Lamb – Lambs are born on the hills of Connemara (area extends west of the Corrib Lake), their diet consists of mothers milk and mountain foliage. Slaughtering of the lambs can take place outside the Geographical area.



**Traditional Speciality Guaranteed (TSG)** - Where the product must be traditional (30 years/handed down through generations) or established by custom. Example: Pizza Napoletana – In order to use the symbol the approved recipe must be used and ‘Mozzarella di Bufala Campana PGI’ or ‘Mozzarella TSG’ must be melted on the surface of the pizza. Production can take place within or outside of the region.



## Aims of the Scheme

The EU's quality product designation systems are designed to protect the rights of producers and consumers. Both should derive considerable benefit from the systems. The EU's quality policy for agricultural products and foods aims to:

- Encourage diverse agricultural production
- Protect names from misuse and imitation
- Help consumers to understand the specific character of the products.

There is evidence that at least some consumers are willing to pay for food quality attributes, and quality premiums can be observed in the marketplace for organic produce, for free range eggs, for fair trade coffee, and so on. Purchasing an EU quality labelled product guarantees not only its quality but its authenticity (buyers can be sure that they are not buying an imitation product).

### **Benefits of the Scheme**

**The benefits for farmers/food producers:** The ‘bottom line’ for farmers must be whether the exclusive right to use a product name leads to a higher price than for similar products in the same food category. There is evidence that this is so. A study in the cheese sector concluded that cheese with designated status could claim a 30% price premium over competing products. *Parmigiano Reggiano* cheese and essential oils protected by GIs have also benefited from considerable price advantages. Studies also indicate that the added value is distributed along the food chain, allowing producers and local processors to gain as well as retailers and other downstream players.

**A real contribution to rural development:** Several studies have shown that GIs have an important role to play in the regeneration of the countryside since they ensure that agri-foodstuffs are produced in a way that conserves local plant varieties, rewards local people, supports rural diversity and social cohesion, and promotes new job opportunities in production, processing and other related services. The needs of today’s population are met, while natural resources and traditional skills are safeguarded for generations to come.

**For consumers:** Quality labels offer an excellent marketing message about high value-added products. The schemes enable farmers and producers to inform consumers about specific characteristics and origins of their products, irrespective of the number of intermediaries (distributors, wholesalers, retailers etc.) in the supply chain.

### **The main benefits for consumers are:**

- The main message from the label – it indicates a quality product
- Information on the origin of the product and its characteristics (ingredients etc.) and traditional production methods
- Guarantees that products are the genuine article not copies or imitation products
- Confidence that the food has been produced in line with the detailed specification
- Consumers can identify and buy products from their own or other specific regions if they choose to
- Overall information that consumers need to be able to decide whether designated high quality products provide good value for money.

## **GIs in the European Union**

- 85% of French Wines are GIs
- 80% of EU Spirits are GIs
- EU market share of PDO/PGI/TSG estimated at €14.2 bn
- 2.5% of food consumption in EU
- 30% PDO/PGI exported outside EU

## **GIs in Ireland**

<u><b>Irish Food GIs</b></u>	<u><b>Irish Spirit GIs</b></u>
<ul style="list-style-type: none"><li>• Imokilly Regato (PDO)</li><li>• Oriel Sea Salt (PDO)</li><li>• Oriel Sea Minerals (PDO)</li><li>• Connemara Hill Lamb (PGI)</li><li>• Waterford Blaa (PGI)</li><li>• Clare Island (PGI)</li><li>• Timoleague Brown Pudding (PGI)</li></ul>	<ul style="list-style-type: none"><li>• Irish Whiskey</li><li>• Irish Cream</li><li>• Irish Poitin</li></ul>

The value of Irish Whiskey exports for 2018 was €647m. This reflects the continued growth of the product from €576m (2017) and €503m (2016). Major export markets include but are not limited to the USA €382.7m; Latvia €44.1m; Germany €27.7m; Great Britain €23.7m; France €22.5m and Canada €16.8m.

The value of Irish Cream exports for 2018 was €342m, increased from €327m (2017) and €293m (2016). Again the United States is the biggest export destination for Irish Cream, with exports of €169m in 2018 and €166m in 2017. Other strong export markets for Irish Cream are Canada €42.8m; Great Britain €19.4m; Germany €19.3m; Latvia €7.7m and Poland €6.5m.

Irish Poitín is currently exported to the U.S, Canada, Italy, Scandinavia, UK.

## **The EU Legal Framework**

There are separate rules for food, spirits and wines GIs and for the establishment of the Union symbols for GIs.

- Food GIs are covered under 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; and Regulations (EU) No 664/2014 and (EU) No 668/2014.
- Spirit Drinks GIs are covered under REGULATION (EC) No 110/2008 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 15 January 2008 on the definition, description, presentation, labelling and the protection of geographical indications of spirit drinks.
- Wine GIs are covered under Regulations (EC) No 479/2008, (EC) No 606/2009, (EC) No 607/2009, (EU) No 1306/2013, (EU) No 1308/2013, (EU) No 2019/33 and (EU) No 2019/34

## **Enforcement**

Enforcement of EU quality systems is carried out by Member State authorities, acting within rules laid down at EU level. Member States are obliged to set up the necessary control bodies to ensure compliance with EU rules. The costs of this are covered by the producers involved, not by the state. However, in Ireland, the costs associated with the verification and enforcement of Geographical Indications is covered by the State funded control bodies.

## **Applying for a GI in Ireland**

The registration procedure is the same for protected designations of origin and for protected geographical indications. Registration is voluntary – it is producers themselves who decide whether to take the initiative.

- The initial step is to apply for registration of a product name – producers decide whether to apply for a PDO or PGI on the basis of the characteristics of their product. Generally, groups of producers make an application as an association. The EU's rules have always precluded any product specification being drawn up in a way that would give one producer a de jure monopoly on production of the foodstuff.
- Applications for the registration of a product name are submitted to the Member State Competent National Authorities (The Department, in the case of Ireland).
- Applications consist of two documents, the Single Document and the Product Specification.
- The national authorities carry out an examination of the request, working within regulations and guidelines set at EU level, and then forward the Single Document to the European Commission, which undertakes the complete examination again.
- The Commission will be involved in a scrutiny procedure of the main elements (grouped in a 'single document' which will be published in the EU Official Journal) to ensure that applications satisfy the conditions laid down by the regulations and that the approach is uniform across the 28 EU Member States.
- Applications can be refused if the Member State and/or the Commission finds that the product does not meet the regulatory requirements.
- Registration of a name can also be considered for cancellation, at the request of any individual having a legitimate interest and having a good reason for requesting such cancellation, or because the Commission takes the view that compliance with the specification can no longer be ensured.

## **First Steps - Talk to us (Food Industry Development Division – DAFM):**

To obtain a GI a group of producers have to work collectively together to apply. They have to be able to demonstrate that their product derives its qualities, its reputation from the region.

- This is the main issue for producers to be able to show this clearly to the satisfaction of the EU authorities in the two documents that have to be completed as part of the application process.

- This link is the main issue to focus on – what’s unique about the local soil, climate, feedstuffs, production methods.
- What about the historic reputation of the product? Do you have references in documented sources showing that this product is part of the tradition of this region over time.

### **Second Steps – Documentation:**

**The Single Document:** This is the EU application. It is a condensed version of the Specification which contains the Key elements of the specification that will be examined by the European Commission.

**The Product Specification:** Sets out the method and process of producing the product. The specification also includes the scientific or reputational basis of the characteristics that are imparted by the area. i.e. Link. **The main elements of a specification are:**

- Name of the product
- Description of the agricultural product or foodstuff (including information on raw materials and physical, chemical, microbiological or taste characteristics)
- Definition of the geographical area
- Evidence that the product originates in the relevant area
- Description of how the product is obtained, plus any relevant details on local production, processing, packaging etc. methods
- Details of the link between the product and the geographical area concerned
- Any specific labelling requirements
- Any requirements laid down by Community or national provisions

Groups or persons interested in applying for PDO/PGI/TSG product classification or in participating in existing schemes should contact the Department of Agriculture, Food and the Marine as the competent authority (GeographicalIndications@agriculture.gov.ie) .

Food Industry Development Division  
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