

# ANALYSIS OF THE CAP POST 2020 TEXTS AS AGREED FOLLOWING INTERINSTITUTIONAL NEGOTIATIONS AND REVISION OF REGULATION 1151/12 ON QUALITY SCHEMES

Previous AREPO analysis and position paper can be found here: <u>CAP post 2020 (I)</u>; <u>CAP post 2020 (II)</u>; <u>CAP post 200 (II)</u>; <u>CAP post </u>

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## INTRODUCTION

On June 1<sup>st</sup> 2018, the European Commission published the <u>legislative proposals</u> for the following three regulations in order to start the legislative process for the future Common Agricultural Policy (CAP):

- 1. CAP Strategic Plans (direct payments, rural development and sectoral support programmes);
- 2. Horizontal Regulation (financing, management and monitoring); and
- 3. Amending Regulation (amendments to CMO Reg. 1308/13, Reg. 1151/12 on quality schemes for agricultural products and foodstuffs, Reg. 251/14 on GIs for aromatized wine, among other).

In September 2018, the Committee on Agriculture and Rural Development of the European Parliament (EP) started working actively on its position and finally voted two of the three reports on April 1<sup>st</sup> and 2<sup>nd</sup>, 2019: Amending Regulation, 2018/0218(COD) and CAP Strategic Plans, 2018/0216(COD). The texts approved by AGRI Committee were not submitted to vote in plenary, in order to give the following AGRI Committee of the EP, resulting form 2019 European elections, the possibility to resume work on the CAP post-2020 and contribute to the draft reports.

In collaboration with oriGIn, AREPO developed and adopted a common position and lobbying strategy on the CAP to jointly defend Geographical Indications at EU level. In line with the positions and analyses of our two associations, amendments have been proposed to strengthen the position of GIs in rural development and sectoral interventions and their protection in the relevant regulations (click here to find the text in EN, ES, FR).

On 23 October 2020, the European Parliament voted in plenary the three legislative texts concerning CAP, thus approving its position on the topic ahead of the trilogues with the Council.

After a very intensive negotiation phase, the co-legislators reached an agreement at the end of June 2021.

The AGRI Committee of the EP expressed its vote to approve the final texts of CAP post-2020 on 9 September 2021, on which the whole EP will have to vote during next November plenary.

The following analysis will deal with the final texts on CAP Strategic Plans and CMO Amending Regulation, as resulted from the interinstitutional negotiations ended in June 2021. In particular, it will focus on the approved amendments concerning the GIs system, in order to provide an overview of the relevant provisions as well as to lay stress on the contribution that AREPO and oriGIn strategy gave during the process and their main achievements.

To conclude, a paragraph will tackle those requests not included in the final texts agreed.

## **OBJECTIVES ACHIEVED BY AREPO & ORIGIN COMMON STRATEGY**

### 1. CMO AMENDING REGULATION

#### NEW OPPORTUNITIES FOR QUALITY SCHEMES IN CMO REGULATION

The new CMO Regulation intends to strengthen market regulation and crisis management.

Focusing on GIs, the most relevant element is the **extension of the instrument of supply regulation** (already existing for PDO/PGI cheese, ham and wine) **to all PDO and PGI products** (article 166a).



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This is a positive development for sectors that were not covered so far and this was requested by several AREPO producer representatives. By introducing a new article, the flexibilities and specificities currently given to cheese and ham producers remain untouched.

### SIMPLIFICATION OF GIS SYSTEM

Concerning the simplification of GIs system, many of the AREPO & oriGIn requests have been included in the final text. Particularly, the main provisions concerning the revision of Regulation 1151/12 on Quality Schemes are the following:

- 1. The scope of Regulation (EU) No 1151/2012 is extended to include aromatised wine products in the view of the limited number of registrations of geographical indications of aromatised wine products under Regulation (EU) No 251/2014;
- 2. Compared with the initial proposal of the European Commission, the final text reintroduces the human factor as a mandatory feature for defining a PDO, both for wine and foodstuffs;
- 3. Concerning the PDO and PGI product specifications, it introduces the possibility, where relevant, of limiting the details concerning human factors as link of the quality to a particular geographical environment to a description of the soil and landscape management, cultivation practices or any other relevant human contribution to the maintenance of the natural factors of the geographical environment. This concerns mainly wines or some fresh agricultural products (e.g. fruits) that undergo little or no processing at all because their specificities mostly derive from natural factors, whilst the human factors' contribution to the quality and characteristics of the product may be less specific;
- 4. Furthermore, product specifications **may contain a description of the contribution** of the designation of origin or geographical indication **to sustainable development**;
- 5. It aligns the definition of designation of origin and geographical indication with that given at international level in the Lisbon Agreement. In addition, the definition of geographical indication is harmonised with the definition of designation of origin, clarifying the position of PGI whose name is not linked to the name of the region;
- 6. **The agreed text extends the scope of protection for all GI products**, including goods in transit and sold through means of electronic commerce, namely against the **abuse of their reputation**;
- It strengthens the system for GI wine protection, where the wine is used as ingredient in a food product. This type of provision already exists in Regulation 1151/2012 on quality systems for agricultural products and foodstuffs;
- 8. Concerning Commission's role in the examination of the application for GI registration, it is limited to the scrutiny that there are no **manifest errors**, in order to assure that the applications contain the required information, are free of obvious substantive errors, that the reasoning presented supports the application, and that Union law and the interests of stakeholders outside the Member State of application and outside the Union are taken into account.
- 9. The opposition procedure has been simplified. It will consist of a **reasoned statement** to be lodged with the European Commission within 3 months from the publication in the Official Journal.
- 10. The most relevant modification proposed is the **simplification of the procedure for approval of amendments**. The legislative text introduces a distinction between **Union amendments** and **standard amendments**.

A Union amendment, requiring an opposition procedure at the Union level, is an amendment that:

(a) includes a change in the name;

(b) risks voiding the links between the quality or characteristics of the GI products and its particular geographical environment with its inherent natural and human factors;

(c) concerns a traditional speciality guaranteed; or

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(d) entails new restrictions on the marketing of the product.

Any other amendments to product specifications are **standard amendments**, to be dealt with at **Member State level**.

In line with the subsidiarity principle, Member States shall be responsible for approval of standard amendments, while the EC should retain the power to approve Union amendments to product specifications.

The scrutiny of the application **shall focus on the proposed amendment**. Where appropriate, the Commission or the Member State concerned may invite the applicant to modify other elements of the product specifications.

## **REQUESTS NOT INCLUDED IN THE FINAL TEXT**

## 1. CAP STRATEGIC PLANS

### IN RURAL DEVELOPMENT QUALITY SCHEMES ARE INCLUDED IN "COOPERATION" TYPE OF MEASURE

Within the framework of the CAP Strategic Plans, Member States may choose to support **quality schemes under the "cooperation" type of intervention**.

AREPO and OriGIn strategy focused on clarifying and defining the possible actions on GIs permitted under this type of measure. Particularly, our common strategy aimed to:

- clarify that under cooperation type of measure it is possible to implement measure both to promote and setting-up quality schemes. The text resulted from interinstitutional agreement included as well support for information activities for quality schemes.
- 2. reintroduce the support for certification costs under "cooperation" type of measure. Support for certification costs has not been included in the final text.
- 3. clarify that producer groups as defined by article 45 in Regulation 1151/12 can be beneficiaries of measures to promote quality schemes as well as other forms of support for cooperation/collective organization, under "cooperation" type of measure. The final text has not included this further clarification.
- 4. include a sub-thematic program for quality schemes for agricultural products: a horizontal programme using different measures to support quality schemes for agricultural products and foodstuffs could help address simultaneously specific local needs (see for instance current sub-thematic program for young farmers, small supply chains and mountain areas in Art. 7, Reg. (EU) No 1305/2013). The final text has not included this proposal.

Furthermore, producer groups as recognised by the Regulation 1151/12 are still excluded as beneficiaries of operational programmes. Our amendments on this issue had the objective **to extend the right to implement interventions in "other sectors" to GIs producer groups as recognised by the Regulation 1151/12.** 

## 2. CMO AMENDING REGULATION

The extension of the scope of protection **for all GI products**, including goods in transit and sold through means of electronic commerce, could have gone further including the **protection of domain names** which may cause confusion, in whole or in part, with a protected name.

AREPO and oriGIn presented this amendment, which was also tabled and approved by the European Parliament vote during the plenary of October 2020, with the objective of reinforcing the protection system for geographical indications on the Internet in addition to existing legislation. It was not included in the final text since it concerns a matter just partially under the competence of the EU or Member States. MS have no role in the registration of domain names that happens at global level.