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PART 2/2

COMMISSION STAFF WORKING DOCUMENT

IMPACT ASSESSMENT REPORT

Accompanying the document

Proposal for a Regulation of the European Parliament and of the Council

on European Union geographical indications for wine, spirit drinks and agricultural products, and quality schemes for agricultural products, amending Regulations (EU) No 1308/2013, (EU) 2017/1001 and (EU) 2019/787 and repealing Regulation (EU) No 1151/2012

{COM(2022) 134 final} - {SEC(2022) 197 final} - {SWD(2022) 136 final}

Table of contents

Annex 1: Procedural information

Lead DG:

– DG Agriculture and Rural Development (AGRI)

Other services involved:

– SG, SJ, TRADE, MARE, SANTE, COMP, TAXUD, GROW, JRC, OLAF, CNECT

EU agency involved:

- EUIPO

Agenda Planning references:

– Ref. PLAN/2020/8659

– The initiative is included in the Commission Work Programme 2021.

Inter-service Steering Group (ISSG)

The work on the Impact Assessment was carried out from October 2020 to June 2021, during which an ISSG met four times. Representatives of 12 Directorates General and Commission Services and of EU Intellectual Property Office (EUIPO) participated in the group.

The content of this impact assessment report has been developed and improved with the contributions and comments of the services that participated actively to this ISSG.

The ISSG was consulted in writing during the period 10-15 September 2021 and comments were duly taken into account in the revised version.

Regulatory Scrutiny Board opinion

An informal upstream meeting with RSB representatives was held on 29 January 2021 to discuss two interlinked Commission Staff Working Documents (SWD) on GI/TSG schemes, namely:

(1) The SWD on the evaluation of Geographical Indications and Traditional Specialities Guaranteed schemes;

(2) The SWD on the impact assessment on the revision of Geographical Indications.

During this discussion, Board members provided early feedback and advice to prepare the Impact Assessment Report on the revision of Geographical Indications. Board members commented that the principles of the Better Regulation are well respected with the impact assessment being preceded by an evaluation.

Two separate Board meetings took place on the scrutiny of the evaluation and impact assessment SWD, respectively on 2/6/2021 and 30/6/2021. The RSB issued a positive opinion on the SWD on the evaluation of Geographical Indications and Traditional Specialities Guaranteed schemes, and a negative opinion on the draft Impact Assessment Report on the revision of Geographical Indications.

The Board's recommendations were addressed in a revised version of the draft Impact Assessment Report and re-submitted to the RSB on 27/09/2021. As the main comments of the Board focused on the lack of a clear rationale and sufficient evidence to support

the need for action in the areas of sustainability, healthy diets, the use of logos and supply chain imbalances, the draft report has been amended with further explanations and evidence. The main report, as well as its Annexes, were adjusted to take into account all comments from the Board. In particular, a new Annex 8 has been included to allow easier comparison of the proposed policy options with the baseline. Annex 4 on the methodology was also updated. A cost/benefit table was included in Annex 3.

The following table provides an overview of the adjustments made to the text to meet the requirements of the Board's opinion.

RSB recommendations	**Adjustments**
Main considerations	
The Board notes the useful additional information provided in advance of the meeting and commitments to make changes to the report. However, the Board gives a negative opinion, because the report contains the following significant shortcomings: (1) The report does not provide a clear rationale and sufficient evidence to support the need for action in the areas of sustainability, healthy diets, use of logos and supply chain imbalances. (2) The report does not bring out clearly enough the available policy choices. It does not explore sufficiently alternative combinations of policy actions that could offer a better mix or are politically most relevant. (3) The report is not sufficiently clear on the involvement of an agency and the related costs. (4) The report does not sufficiently differentiate the views of different stakeholders on key issues.	The four comments listed on the left-hand side were addressed in the way as explained in the following parts of this table.
Further considerations and recommendations for improvement	
(1) sustainability and healthy diets	
The report should provide a clear rationale and sufficient evidence to justify the need for action regarding sustainability and healthy diets. It should clarify on the basis of what standards and to what extent sustainability and healthy diets are key problems for the GI schemes that need to be tackled through this particular initiative, while being conscious of the related horizontal policy discussion and planned initiatives. It should discuss if there are any constraints for products under these schemes to include sustainability or health	The report has been clarified to provide a clear rationale and sufficient evidence to justify the need for action regarding sustainability and healthy diets. In particular, the problem definition as regards sustainability aspects, including healthy diets, has been partially redrafted. Sustainability and healthy diets are not key problems for the GI schemes, however there are clear expectations from consumers that products participating in EU quality schemes should embed sustainability aspects. In addition, there is

criteria (e.g. in adapting production processes and methods) and if this could conflict with the genuine GI objectives related to the protection of quality and characteristics of a given product, or its mode of production. It should discuss whether a differentiated approach should be pursued for products under these schemes compared to other products in relation to sustainability and healthy diets. On the basis of the above, it should discuss the dimensions and magnitude of the sustainability and healthy diet issues for the affected GI schemes that should be tackled via this initiative, while being clear on the developments taking place under the baseline scenario (e.g. voluntary initiatives).	evidence that GI producers have started to address sustainability (examples are provided in Annex 7 on sustainability). Including sustainability requirements in the product specifications, leading to adapting production processes and methods would not conflict with the genuine GI objectives; it could however involve higher production costs, this is why the approach should be progressive and voluntary.
(2) Logos and consumer awareness	
Given the proliferation of food product (sustainability) logos, the resulting consumer confusion and the overall low awareness of GI logos, the report should provide more convincing and specific evidence that the (mandatory use of the) GI logo is critical for the success of the schemes. Regarding the problem of food supply chain imbalances, the report should demonstrate with evidence that the absence of formalised producer group responsibilities in managing some of the schemes negatively affects their performance and competitiveness.	As regards the usefulness of the EU logo, additional information was provided in the report, notably with regard to consumer knowledge and awareness. The successful example of the EU logo for organic production was also included. Regarding the GI producer groups, additional evidence was included in the main report, showing that well organised and structured groups can provide for many services to GI producers, from improved enforcement and surveillance of the market to promotion and marketing, thus providing competitive advantage to the producers and improving their performance (income).
(3) Presentation of policy options	
The design and analysis of options should bring out more clearly the available policy choices. It should identify and analyse all politically relevant combinations of possible policy actions. The preferred option should contain the best performing combination. It is not clear why some of the sub-options cannot be included in other options packages. The report should clarify to what extent legislative sustainability criteria for GI schemes represents a feasible policy action given commitments under the TRIPS agreement.	Point 8.2 of the report includes a possible mix of options. Based on the analysis, certain actions from Options 1 and 3 could be implemented to better meet the objectives, notably: • removing GIs from the scope of the Official Control Regulation to avoid control rules' provisions spread over several Regulations, while providing for a single set of control rules within the GI legislative framework; • providing guidelines to GI producer groups; • giving more flexibility to producers as regards the labelling of GI products. Regarding the sustainability, the report

	clarifies that a mandatory inclusion of sustainability criteria in the product specification can be a feasible option for EU producers while such a provision could not be compatible with TRIPS definition of GIs. It would also risk raising complaints from the EU producers not having the same level playing field as those of Third Countries.
(4) Presentation of policy actions	
The report should better present the policy actions involving an agency in the main text. In particular, it should better assess and compare the expected efficiency savings resulting from various agency options. It should explain if involving an agency will imply a shift in resources from the Commission to the agency and what the actual overall savings in terms of full-time equivalents will be.	The options involving the agency have been clarified in the main text. As regards expected efficiency savings resulting from various agency options, a table comparing the options was added in Chapter 8.2, including in terms of full-time equivalents. It was clarified that the initiative does not imply a shift in resources from the Commission to the Agency, taking into account that the Agency has its own resources available.
(5) Comparison of options	
The efficiency analysis in the comparison of options should be strengthened by a quantitative comparison of costs. This is particularly important given that it is a REFIT initiative. The figures to support the cost-benefit analysis should be included in the main report, while the sources of these figures, the methodology and the evidence to estimate the costs and benefits could be explained in an annex.	The methodology for the efficiency analysis was updated and reinforced. A table presenting costs and benefits of the preferred option, including their quantification, was added in Annex 3. As regards the REFIT initiative, additional information has been included in point 8.2 of the draft Impact Assessment Report.
(6) Analysis of public and targeted consultations	
The analysis of the public consultation and the targeted stakeholder consultation should be improved. The report should avoid presenting aggregate majority views and should clearly outline the views of different stakeholder groups, what role they play and which group supports which action. Some more technical comments have been sent directly to the author DG.	The analysis of the replies outlining the views of different stakeholder groups, what role they play and which group supports which action was added to Annex 2. In addition, views of different stakeholders groups on main policy issues were added in the main report.

Following a resubmission on 27/9/2021 of a revised version of the documents, the Board gave its positive opinion with reservations on 25/10/2021.

The following table provides an overview of the adjustments made to the text to meet the requirements of the second Board's opinion.

RSB recommendations	Adjustments
Main considerations	
The Board notes the additional information that has been provided regarding sustainability, healthy diets, the use of logos and organised producer groups. However, the report still contains significant shortcomings. The Board gives a positive opinion with reservations because it expects the DG to rectify the following aspects:	
(1) The selection of the preferred set of policy actions is not coherent with the rest of the report. The report does not provide a clear identification and consistent assessment and comparison of alternative policy action packages.	Text relating to the preferred option has been adjusted for consistency
(2) The report does not sufficiently justify the preferred policy action regarding the involvement of an agency.	Additional information has been provided in the report explaining in more detail why the full outsourcing to an agency is not a preferred option despite the evidence pointing to its efficiency.
(3) The views of different categories of stakeholders are not sufficiently reflected in the main report.	Additional information has been included in the main report, mostly copied from Annex 2 which provides detailed results of the public consultation.

Evidence

The following main evidence has been used for the impact assessment:

- The policy evaluation - Staff Working Document.
- Evaluation support study on Geographical Indications and Traditional Specialities Guaranteed protected in the EU, 2020.
- *Study on economic value of EU quality schemes, geographical indications (GIs) and traditional specialties guaranteed (TSGs)*, AND-I for the DG AGRI, 2019 ([1]): this study provides economic data on GIs/TSGs at EU level and in Member States.
- Results from H2020 project Strength2Food[2] and in particular the publication based on Strength2Food project: Arfini F. and Bellassen V. "*Sustainability of*

[1] https://op.europa.eu/en/publication-detail/-/publication/a7281794-7ebe-11ea-aea8-01aa75ed71a1

[2] https://www.strength2food.eu/

European Food Quality Schemes – Multi-Performance, Structure, and Governance of PDO, PGI, and Organic Agri-Food Systems", Springer, 2019[3].

- Eurobarometer surveys: consecutive editions of the Special survey on agriculture provided information on citizens' knowledge of the EU logos.

- Conference on Strengthening geographical indications (25-26 November 2020), https://ec.europa.eu/info/events/strengthening-geographical-indications-digital-conference-2020-nov-25_en.

- Open public consultations carried out in 2019 in the framework of the policy evaluation, and in 2021 in the framework of the impact assessment.

- Information received from the stakeholders in the framework of consultations (see Annex 2).

- Causal estimates of Geographical Indications' effects on territorial development: feasibility and application, JRC Technical Report, Ispra, 2021[4].

[3] Sustainability of European Food Quality Schemes (Multi-Performance, Structure, and Governance of PDO, PGI, and Organic Agri-Food Systems); Editors: Filippo Arfini, Valentin Bellassen, 2019.

[4] JRC124769, Causal estimates of Geographical Indications' effects on territorial development: feasibility and application | Knowledge for policy (europa.eu)

Annex 2: Stakeholder consultation

Introduction

The consultation strategy elaborated for this initiative covered all aspects of the initiative aiming at strengthening the system of geographical indications. It addressed various stakeholder categories: public authorities, organisations from the farming sector, organisations from the processing sector, European, national and sectoral federations and private companies, consumers' organisations, organisations from the trade sector and retail sectors; third countries, academic and research institutes, general public and others[5].

All the activities announced in the communication strategy were performed as planned: Roadmap – Inception Impact assessment feedback, stakeholder conference, Civil Dialogue Group meetings and questionnaire, Member States meetings and questionnaire. Bilateral meetings with the main stakeholders were also organised, as described below.

Roadmap – Inception Impact Assessment feedback

Stakeholders have provided their feedback on the Commission Roadmap - Inception Impact Assessment from 28 October 2020 till 25 November 2020.

The roadmap received 51 feedbacks. The majority of these feedbacks came from NGOs (15) while a significant number of Business Associations and Public Authorities responded to this initiative (11 respondents each). There was also participation from Trade Unions, Academic/Research Institutions and Citizens.

The great majority of the respondents welcomed the European Commission initiative to strengthen the EU system of geographical indications (GIs). The feedback mainly focused on sustainability issues followed by protection, legislative clarifications and the future of the Traditional Specialty Guaranteed (TSG) scheme. A smaller number of respondents mentioned issues related to simplification, controls and enforcement, empowering GI producer groups and consumers/logo issues.

Conference "Strengthening Geographical Indications", 25-26 November 2020

This high-level conference was organised jointly by the Commission - DG AGRI – and EUIPO. It was held at the optimum of the Impact Assessment to "strengthen GIs" as requested by the President von der Leyen in her mission letter to Commissioner Wojciechowski. The conference served as the focal point for stakeholders to make their views known on the range of issues foreseen in the GI revision process.

A large audience composed of GI producers, stakeholders across the food value chain, Member State officials, international and civil society organisations, EU officials as well as students and any kind of interested public took part of the event.

Besides the plenary opening and closing sessions, fifteen panels to discuss different issues of the GI review took place. The annual GI Enforcement and Controls dialogue

[5] Consultancies, certification bodies, lobbies/associations dealing with intellectual property law (geographical indications, trademarks), environmental as well as animal welfare organisations, cross-border organisations.

with a special focus on internet fraud and use of GI logos' was incorporated in the event. Sustainability issues and empowerment of producers were also discussed to address the Farm to Fork initiative as well as ways to increase attractiveness of GIs, and modernise and better enforce GIs in line with the IP action plan.

Co-organisation with EUIPO encouraged the audience to deepen the discussion on the GI and trade marks intersect. Panels were also dedicated to non-agricultural GIs' and the international dimension of GIs, with EUIPO being present in the international field to support the EU funded programmes.

The recorded conference and all the material (ppt. / video / audio / gallery) is available on the EUROPA web-page until November 2022:

https://ec.europa.eu/info/events/strengthening-geographical-indications-digital-conference-2020-nov-25_en

Around 2500 viewers per day with around 250 participants per panel were recorded. To embark the views of all the stakeholders, the panels were organised in a way that participants could follow presentations and exchanges on day 1 and debate further during the 'debate sessions' on day 2 (directly and in the chat). A digital gallery with different material from the Member States gave vision on the GI names. This gallery also highlighted the latest IT developments, notably the brand new GIview database.

Main outcome of panels covering the GI review aspects[6]

- **Controls and enforcement with a focus on DNS**

It was highlighted that GIs can be strong only if there is a well-organised system of GI controls and enforcement in place. To enforce GI in the world wide web there is a need to ensure cooperation with the big platforms (Amazon, eBay) to avoid misuse and bad faith registration of a GI as a 'domain names'. Participants indicated that misuse, imitation, and evocation of GIs are not adequately controlled in the Domain Names System (DNS) due to variations in protection nationwide and the non-territorial nature of the Internet. The allocation of protected GIs as top-level domains (TLDs) will be an increasingly challenging problem as the scope for registering geographical terms in particular is extended.

Existing challenges include the fact that GIs are not recognised as IPRs titles under International Dispute Resolution Systems: an earlier GI right may not be a valid title to claim protection against a bad faith registration. Thus, dispute resolution systems may only be available on request to address abusive registrations based on prior trademark rights.

It was recalled that there is a real need to listen to each other, share best practices and work together (namely with the platforms) in order to address challenges related to the setting up of GI controls & enforcement system.

- **PDO/PGI logos use**

The main conclusion was that the EU logo should have a clearer meaning as it is not always known or easily recognised.

[6] Report on the conference is included in Annex 11.

The lack of distinction and improper use of PDO and PGI logos was also voiced. The use of one single logo might help consumer recognition and understanding, however logo recognition does not necessarily mean increased understanding. The fact that the logos do not appear to be intuitive should be addressed. The key challenge is that EU logos are abstract and not explained. Emphasis should be placed on understanding logos as it may change the consumer behaviour.

The Strength2Food project was discussed as it also found that the majority of consumers do not recognize EU labels. PDO and PGI logos are at present not seen as self-explanatory. However the issue for producers is that consumers are engaged. Additional information and more intuitive understanding are needed to improve the situation.

- **Sustainability**

There was a common understanding that geographical indications already offer a lot of "built-in" sustainability features. Defining and agreeing on a number of indicators would be an essential element for further incorporation of sustainability aspects.

The challenge is to find a soft transition towards more sustainable GIs but sustainability should not be seen as an obligation but rather as a continuous improvement. This transition would need instruments like guidelines or guidance for producers to adapt.

- **Empowering producers and producer groups**

A common denominator of the discussion was that producers need to be well organised and ways need to be explored (via rural development policy, promotion policy or through national support) to encourage GI groups to organise in a structured way, to be able to manage and promote their products. There is a need to frame GI groups, so that their economic role will be clearer in the supply chain.

Education and information are important to foster the dialogue between producers and traders and to ensure that producers know their rights and obligations.

- **Increasing attractiveness**

There was a clear message that in order to attract consumers, information on GIs need to go beyond labelling only. Different challenges were identified showing a need to inform consumers that GIs are not only common products but that they mainly represent our cultural heritage, traditions and emotions (inside and outside the EU).

In view of the added value of GIs, producers and consumers should be well informed and aware that GI protection means higher producer income and broader economic benefits in the place of origin. For this reason, public authorities and producers themselves should contribute more actively to strengthen GIs take up.

Rural development programmes can be good instruments to promote GIs and reinforce the role of producer groups. A well-organised producer group behind each well-functioning GI is the key to success. A need for a shared EU communication strategy was mentioned.

Easier and faster registration procedure together with education of producers and local administrations are important in order to increase attractiveness of GIs.

- **IP protection of GIs**

The main message was that there are too many law sources and too many different concepts namely in the various free-trade agreements (i.e. different concepts in the EU-South Africa and in EU-China Agreements).

In this panel, examples of case law were exposed and a repeated request was that the law should be clearer when it comes to defining the scope of protection for GIs. It should take into account (a) the intrinsic characteristic of the GI names (geographical terms), (b) the perception of the public, and (c) the clear need to protect the producers and the consumers. The court cases also showed the limitations that still exist in using trade marks to protect GIs. There is a need for clearer guidelines to strike a balance between trade marks and GIs by recognising and placing emphasis on their different essential functions.

- **REFIT – simplifying and reducing administrative burden**

The panel showcased the Commission's REFIT program which looks for ways to simplify and reduce administrative burden, as well as achieve cost savings, without compromising on policy objectives. The ultimate goal is to deliver EU law in an efficient manner.

The idea of one single regulatory instrument was discussed as well as the need for better guidance for applicants and the fact that digital tools could serve to create more transparency and openness.

Public Consultation – summary of the replies

From 15 January 2021 to 9 April 2021 (12 weeks), the Commission services conducted an open public consultation in all official EU languages via EU-SURVEY[7]. Its aim was to gather the views of public authorities, stakeholders and members of the public.

302 contributions were received from respondents from 21 Member States. The respondents were in majority citizens (24%) and business associations (20%). The companies/business organisations accounted for 14%, public authorities 13%, NGOs 7%, Trade Unions 5% and academic/research institutions 2%. 1% of the answers came from the consumer organisations, 1% from the non EU-citizens while environmental organisations represented only 0.3% of respondents to the survey. The remaining respondents qualified themselves as ‘other’.

The respondents identified the main **challenges and the underlying causes**:

- Due to increased exploitation of reputation of GIs on internet, there is a need to **prevent fraud** and the counterfeiting of GI products.

- GI producer groups should have **greater powers and responsibilities to manage, promote and enforce their GI.** For the time being, they are not able to take decisions binding on their members.

[7] https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12664-Revision-of-the-EU-geographical-indications-GI-systems-in-agricultural-products-and-foodstuffs-wines-and-spirit-drinks/public-consultation

- There is a **lack of awareness of the logo**, resulting from a lack of information and publicity about the schemes.

On top of these main challenges, there is increasing societal concerns and consumer demand for sustainable products.

The three main objectives to pursue identified by the respondents are:

- To improve **protection and enforcement of GIs** in the Member States, including on the internet.

- Efficient GI procedures through **clear and coherent rules** for producers, other operators and administrations.

- **Clear information on GIs**, through the logo and labelling information, to enable consumers to make informed choices and to focus the message on promotion of European gastronomic heritage to preserve traditional products and production methods.

On policy options, the respondents:

- would **empower the producer groups** in order to stop misuses and fraud on internet;

- would like guidelines on **financial support producers** could benefit from and on **how to set up a group of producers** and manage the GIs;

- support **information actions** on labels. Over half of the respondents are against replacing PDO and PGI logos by a single one and do not support the optional use of logos for producers;

- give a strong support to full **digitalization of the registration process**;

- ask for financial support for producers groups to analyse **sustainability production**;

- disagree with the idea that the Traditional Specialty Guaranteed (TSG) scheme is not needed at EU level. On the contrary, they would like more promotion for this scheme.

Public Consultation - analysis of the replies per relevant stakeholder categories

1. Challenges

On **preventing fraud and counterfeit labelling of fake GIs, notably on the internet**, the citizens' category of respondents mostly found this issue as most important challenge, with more than three fourth agreeing (86%). This challenge overall was highly supported by all stakeholders' categories.

Regarding the challenge of **maintaining and increasing sustainability of GI products**, half of the citizens replied that this issue is of utmost importance. However, 10% of this same category disagree with this statement and do not believe it is important. Similarly, the companies/business organisations strongly supported this challenge as very or most important (77%), while 10% of them think it is not so important or least important.

Trade unions strongly believe that **giving producer groups greater powers and responsibilities** is the most important challenge for the revision of the GI scheme, 88%

of this category's respondents support it, while the remaining participants considered that this is either important or very important. Business associations and companies/business organisations showed support to this challenge at a lesser extent, but with still over 90% of them considering this challenge as important, very important, or most important.

All the citizens who contributed to the Public Consultation considered the challenge of **increasing consumer awareness of the GI logos** as most important (59%), very important (26%) or important (15%).

Simplifying and reducing delays in the registration of GI applications was overall one of the least supported challenges, especially by the stakeholders' categories affected by such process. Almost 20% of the business associations' category and 30% of the companies/business organisations category considered it not important or not so important.

2. Underlying issues

The **increasing societal concerns and consumer demand for sustainable products** is considered as either most important issue (41%), very important issue (33%) or an important issue (12%) by the citizens.

The **lack of information and publicity about the schemes** is considered as an important underlying issue by most of the respondents. More specifically, results of the Public Consultation show that around 90% of the citizens, companies/business organisations, and public authorities' categories believe it is an important, very important or most important underlying issue.

3. Objectives

Public authorities are the stakeholders' category that supported the least strongly the objective of **improved protection and enforcement of GIs** in the Member States to prevent fraud, unfair competition and misleading consumers, including on the Internet, even though overall almost 93% of them think it would contribute to strengthening GIs (8% basic, 37% important, and 45% major contribution). The large majority of contributing citizens consider this objective as a major contribution (83%).

Clear information on GIs (logo and labelling) to enable consumers to make informed choices was highly supported by citizens with only one person out of 70 participants considering this objective would make a small contribution only to strengthening the GIs. 69 citizens believe it would make an important to major contribution to this goal. Following this trend, 92 % of companies/business organisations also believe that clear information would make an important to major contribution. However, the opinion of business associations is more nuanced, as a quarter of them believe such a change would slightly contribute or not contribute at all to strengthening the GI schemes.

Efficient GI procedures through clear and coherent rules would help strengthen the scheme with an important to major contribution to this goal for 91% of the responding business associations, 82% of the companies/business organisation, and 74% of public authorities.

4. Policy options

Giving authorities and GI producer groups effective powers to stop misuses and fraud of GIs on internet is considered the most relevant option in order to improve protection and enforcement for 69% of the business associations and 87% of the companies/business organisations who responded to the Public Consultation.

The stakeholders categories business associations (83%) and companies/business organisations (72%) strongly believe that GI producers should not be required to respect **higher sustainability standards**, because GIs intrinsically include natural features, human skills and tradition in the region (ratings relevant, very relevant, most relevant added up). The citizens' answers are split, as 43% believe that this is very or most relevant and 31% chose the options not so relevant or least relevant.

For business associations and companies/business organisations, **providing guidelines to producers** on how to set up a GI group and manage their GI does not seem to be of utmost importance, with around half of the respondents from these groups considering this option very or most relevant. However, **guidelines on financial support** for GI producers are of better interest for these categories, with two third of respondents choosing the option very relevant or most relevant.

Citizens strongly support the option of **reinforcing information actions on EU quality schemes and logos**: 97% find it relevant, very relevant or most relevant to raise consumers' awareness on the EU logos. On the other hand, more than half of the respondents in this same category believe that the option **of making the EU logos optional for all producers** is the least relevant to raise consumers' awareness of the logos. Finally, regarding the option of **replacing EU PDO and PGI by a single one**, 40% of the citizens believe it is the least relevant option, and 25% believe it is the most relevant option. Citizens' views are therefore mixed on this topic.

According to business associations and companies/business organisations, financing GI producer groups to analyse the **sustainability of production, nutritional profile of the GI, and adaptability to climate change** is an excellent option in order to reduce the burden: 80% of respondents believe it is very relevant or most relevant. Similarly, a clear majority of these two categories support a **full digitalisation of the GI registration process** (including for producers making applications to national authorities and for applications from non-EU countries). Public authorities also strongly support a full digitalisation with 95% believing it is relevant, very relevant or most relevant in order to reduce the burden.

5. Impacts

More than half (53%) of the business associations believe that additional sustainability measures would have a negative impact on the **costs for GI producers**. For companies/business organisations, the impact would be negative to neutral. Similarly, half of the public authorities responding to the Public Consultation believe such measures would have a negative impact on the **burden for public administration**.

Three out of four citizens strongly believe additional sustainability measures would contribute to **raising consumers' awareness of the schemes**.

According to the majority of business associations and companies/business organisations, **reinforcing the responsibilities for GI producer groups** would have a positive impact on the competitiveness of SMEs.

Most citizens (90%) think that consumers' **better knowledge of EU logos** would have a positive or very positive impact on the awareness of the schemes. This same stakeholder group considers that reinforced information actions and compulsory use of EU logos would have a positive to very positive impact on the **guarantee of product authenticity** (94%).

A single Regulation and full digitalisation of the processes would be positive or very positive for the **transparency of the registration process** according to public authorities (78%). Other stakeholders' categories responded similarly. Such a change would also have a positive or very positive on **securing swift protection of GI producers' rights** for 70% of the public authorities representatives. Finally, for this latter respondents' group, a single Regulation and full digitalisation of the processes would help reduce the **burden for public administration** (45%) or have a neutral impact (45%).

Civil Dialogue Group (CDG) consultations

The CDG members represent interests of producers, processors, retailers, consumers, environmentalists and others.

The Commission consulted the CDG Quality and Promotion during meetings on:

- 5 November 2020. The Commission presented information on the process, first discussion on the GI's reform.

- 9 March 2021: Presentation on the revision of the GI, focus on some elements including sustainability

The Commission consulted the CDG Wine during the meeting on 5 May 2021.

The Commission also consulted the members of the CDG Quality and Promotion through **a questionnaire** on the sustainability of geographical indications, the labelling and the Traditional Specialty Guaranteed (TSG) scheme. Six members answered.

Three out of the six members (COPA COGECA, oriGIn, EFOW) strongly supports the **optional aspect** of sustainability (economic, social and environmental) in the GI product specification. Also half of those members (COPA COGECA, SLOW FOOD, oriGIn) are in favour of **guidelines** on sustainable practices and welcomes the idea of a **platform of best sustainable practices** for GIs. For COPA COGECA and FEDELIS, it is important that the producer groups be facilitated to adapt their product specification to include GI alternatives with lower levels of sugar, salt and fat, where possible. COPA COGACA and AREPO support the inclusion of the socially, economically and environmentally (in particular animal welfare) sustainable practices **in the revised GI policy**. None of the CDG member is in favour of an additional logo for sustainable practices.

Consultations of Member States

The Commission consulted experts from the Member States in the framework of Expert Group for Quality and Sustainability of Agriculture and Rural Development. Meetings of this Expert Group took place on 23 February and 22 April 2021; the Commission presented the challenges and objectives for the revision of GI system and sought expert advice and experience. Prior to this, the Commission also collected experience about implementation of the Traditional Specialities Guaranteed (TSG) scheme in the meeting

of the Agricultural Policy Quality Committee on 19 October 2020, including in a form of a questionnaire.

In the framework of the Expert Group meeting for Sustainability and Quality of Agriculture and Rural Development held on 23 February 2021, the Commission services presented the state of play of the legislative initiative 'Revision of the EU geographical indications (GI) systems in agricultural products and foodstuffs, wines and spirit drinks' and opened the floor to Member States for comments. At the same time, Member States were invited to answer a targeted questionnaire with open questions covering the following topics: GIs and sustainability; simplification of the GI system, with a focus on national process; GI support though Rural Development funds, and for the second time, the Traditional Specialities Guaranteed (TSG) scheme.

22 Member States[8] provided written contributions. In the Expert Group meeting of 22 April 2021, the Commission services presented to the Member States the outcome of the targeted consultation and the preliminary outcome of the open public consultation on the revision of GIs. This was followed by an exchange of views.

- **Sustainability**

The driving opinion was that sustainability should not be imposed on the GI schemes, but encouraged and accompanied.

GIs schemes already take sustainability into account, including in social and economic terms, e.g. through preservation of the landscape and the rural image, retention of rural population, use of local labour force, or local economic development. The existing practices in relation to sustainability must be acknowledged and promoted.

Member States pointed out that tools to motivate and support producers to incorporate more sustainable practices should accompany actions generating higher costs. Among these tools, Member States stressed particularly the importance of a gradual integration, encouraging operators to engage in more sustainable practices outside the specifications (e.g. through commitment charter, guidelines, notes, etc.). Respondents also showed interest in information tools and promotion campaigns to raise awareness about the sustainability concept and its benefits. There is a need for more support (e.g. for sustainability certification, relevant investments) and other forms of incentives (e.g. priority in funding). The Member States also mentioned that a better definition of the "producer group", as well as monitoring tools for GIs' sustainability and smooth amendment procedure to introduce elements of sustainability would be necessary.

With regard to concerns about nutritious food and healthy diet, the main opinion was that the focus on nutritional values and dietary needs should not dilute the concept of origin in GIs, i.e. of quality achieved through the correlation between human factors and natural factors in a given geographical area. Member States consider that the general rules on nutrition and health claims are sufficient for GIs and any additional specific qualities could be voluntarily emphasized.

Finally, as incentives for voluntary nutritional profiling, Member States raised the idea of financial support for producer groups to establish the nutritional profile of their GI products. Information campaigns about the additional quality requirements and

[8] AT, BE, BG, CZ, DE, EE, FI, FR, GR, HR, HU, IT, LT, LU, LV, MT, PL, PT, RO, SE, SI, SK

production methods intrinsic to GIs are another type of incentives, as well as the increase of the laboratory capacities for testing the nutritional profile of food products.

- **Simplification**

While further simplification of procedures and administrative burden is overall welcomed, Member States also indicated that a thorough and accurate examination should precede over speed. Several Member States favour a better harmonization of the procedural rules for all sectors. When it comes to amendments, the introduction of a distinction between Union and standard/minor amendments is seen as a positive evolution that should be extended to all sectors. Respondents also advocated for more guidelines and exchange of information to facilitate the circulation of best practices, in combination with a better performing IT application.

With regard to the main difficulties in the national procedure, two main elements stand out. First, bringing producers together in an active organization appears to be difficult, because of limited time and resources. Producers show reluctance to cooperate at an early stage of a GI registration, and can disagree on the definition of the production process in a product specification. Drafting the product specification is the second difficulty encountered by producers: struggle in gathering evidence for the link, unclear description of the product specificities, lack of knowledge on which information is required, etc.

- **Support through Rural Development**

The majority of respondents to the questionnaire indicated having incorporated the measure for supporting EU quality schemes in their Rural Development Programme (RDP). Their goal was not only to raise consumers' awareness and promote the schemes, but also to increase producers' competitiveness, encourage them to join the schemes and improve sustainability. The Member States that did not include such measure in their RDP have national funds in place to support quality schemes, or find the procedure too complex and not profitable.

Most Member States plan to include EU quality scheme measures for GIs in their Strategic Plan to give incentives to producers to join the quality schemes, to raise consumers' awareness and to increase the producers' competitiveness. Member States want to implement the measure mainly through information and promotion activities and by cooperation interventions.

- **Traditional Specialities Guaranteed (TSG)**

In the last part of the questionnaire, Member States were asked to reflect on the weaknesses of the TSG scheme, and on the alternatives to strengthen it.

Respondents insisted on the fact that allowing TSGs to be freely produced outside their country of origin refrains producers from participating in the scheme, as they do not see the benefit of taking the registration burden. The registration procedure is considered complex and burdensome by a number of Member States, hence clarification of criteria could be envisaged. Financial support for promotion would help raising awareness about the scheme for both producers and consumers. The support under the rural development measures should be made available to all the producers using of TSGs (also processors).

In general, Member States' feedbacks show an ambivalence between the need to strengthen the scheme and the risk that further revisions may affect its credibility. On the topic of non-compliance and food fraud, very few cases were reported. They were mostly related to labelling issues. A high number of Member States never investigated cases of

evocation of TSGs. For products served in restaurants, when applicable, there are no specific control measures in place. Inspections and audits fall under the conventional control procedures. Finally, a majority of respondents have schemes identifying regional products at national level (public or private).

Targeted meetings

The Commission services consulted stakeholders in various meetings:

Organisation **Date**	**Event** **Main outcomes**
COPA-COGECA **30/06/2020**	**Working Party on Quality** The European Union must enhance its role as a global leader in the **fight against food fraud.** To do so, it is essential to better define at EU level the concepts of 'Agri-food Fraud/Crime'. It should also guarantee a **harmonised and well-implemented enforcement** of the new official controls regulation to ensure the same quality and frequency of controls all over the EU.
SLOW FOOD **02/07/2020**	**Video Conference** It is important to empower producers. There are **too many logos,** besides quality is subjective concept. Stronger hook would be useful **linking that to a territory and cultural heritage**, patrimony. GIs are a solution for **sustainability** (animal welfare, environmental sustainability spill over effects on rural area).
Boards of Appeal EUIPO **03/07/2020**	**Reflection paper** The provisions regarding the relationship between GIs and trademarks and the scope of protection of GIs should be harmonized. The question whether to consider a traditional term for wine in a GI as generic or not is still open. The GI Regulations should better define the concept of evocation. This could allow all the levels of the EU system to apply the law uniformly (EUIPO, national courts and national authorities). The concept of comparable products should be extended to some categories of services closely linked with the goods in question, such as retail, wholesale, provision or production either of the same product covered by the GI or of a comparable product. Parties who are affected by decisions made by the Commission in regard to GIs need to be protected by the law in a manner, which is

	suited to the special character of that area of the law. To that end, provision could be made for an appeal to lie from decisions of DG-AGRI to the EUIPO Boards of Appeal. Decisions of the Boards of Appeal would, in turn, be amenable to actions before the General Court, which has jurisdiction to annul or to alter any decision so contested. This would allow for an effective, efficient and complete independent review of decisions taken by the Commission in the field of GIs by means of a transparent, thorough, fair and impartial appeal procedure suited to the specific nature of this area of the law. It could thus be used to reinforce legal certainty and predictability by clarifying and specifying the procedural rules and the parties' procedural guarantees.
AREPO **17/06/2020**	GIs are a good tool to **improve the position of the producers in the supply chain** by linking production, marketing control and enforcement against fraud. Producers need support to have more **sustainable** practices, particularly for the creation of a producers group to finance study on the potential impact of a GI, possibility of adapting a PS before a GI is registered. Front Of Pack (FOP) labelling and **nutrient** profiling is misleading and focus should be given on balanced diets
SpiritsEurope **17/06/2020**	**CAB-spirit Europe Video Conference** mainly on the **Farm to Fork Strategy**. **SpiritsEurope** presented the newly undertaken **Farm2Glass** commitment, which includes several **environmental-friendly initiatives**. Concerning sustainability, spreading **best practices** would be preferable to an imposition of uniform standards. Work is underway to **increase the environmental sustainability**, which has become a widespread consumers' requirement but which should be balanced with other, important aspects (e.g. need to reward the producer for delivering on quality/territory/tradition/culture/know-how). **SpiritsEurope** also mentioned the importance of the **Spirit Drinks Regulation** and of the ongoing works on the **Spirit drinks labelling Guidelines**, managed by DG AGRI. The sector needs **balance between protection** of existing spirit drink categories and GIs **and innovation**. In this sense, SpiritsEurope would consider important to address legally the issue of the **low/no alcohol** (emulations of) **spirit drinks** to ensure a win-win solution for producers and consumers.
Inter-group on wine, spirits and quality	**EP Intergroup on Wine, Spirits and Quality Foodstuffs** **Copa-Cogeca** GIs are an opportunity to improve **sustainability**: social (promote and

foodstuffs **23/09/2020 15:00-17:00**	develop rural communities), environmental (protect landscapes, biodiversity), economic (economic returns to producers). **CNAOL** CNAOL supports the inclusion of **sustainability** elements into PDO. PDO preserve biodiversity (pastures), landscape (mountain); ensures economic sustainability (better income, source of dynamism in rural areas). **Supply regulation scheme** is an important tool ensuring the stable supply and revenues. Next step: value-sharing clause. Need a strong ambitious quality policy. **Consejo Regulador Mentrida PDO** Difficulties in wine markets (removal from the market, crisis distillation done). Big producers are advantaged; difficult for small ones with small production to compete. Through international agreements, we should equalise conditions on international markets, and notably reduce tariffs. Promotion is needed. **Bavaria Brewers Association** Bayerishes Bier PGI has had great results since the registration in 2001. Every fourth bottle is exported, using PGI logo. However, local producers selling locally do not use PGI logo; they believe that consumers know the product. Only big associations can afford fight against misuse. GI associations need money to defend their GIs. **Consorzio dell'Olio Toscano IGP** Nutriscore is simplistic and wrong, as well as misleading for the final consumer. PDO/PGI are excellency category and should be **free from Nutriscore**. **Polish Vodka Association** The European Commission should ensure that EU GIs are protected in all future agreements and recognise the sustainability of GI sector "from farm to glass" (the GIs cannot be reformulated because they are traditional).
ASSICA (Italian Meat Manufacturers Association) **and**	**Videoconference on EU Quality Policy revision** GI producers risk a progressive **erosion of their products' value due to aggressive marketing policies of big sales chains.** The solution proposed is to amend EU Regulation 1151/2012 in order to ban such practices. In alternative, enable groups of producers to prevent their Members from accepting such commercial practices.

ISIT (Italian GI Meat Manufacturers) **21/12/2020**	**GI should better react to sustainability challenges**. Producers groups should include provisions to meet the society's expectations in terms of quality and environmental, economic and social sustainability. **The concept of "evocation" in the EU Regulation 1151/2012 should be further developed.** Court of Justice's rulings are covering a too broad interpretation of the term. Producers groups role should be reinforced, derogating from competition law, with regard to **market interventions** - such as supply regulation - that should be extended to all GI products.

Annex 3: Who is affected and how

In line with the Better Regulation, the table below indicates for the preferred option how the main stakeholders will be affected, by listing the key obligations that will have to be fulfilled, and over what timescale.

Stakeholder	Practical implications of the initiative
GI producer	– Compliance with new sustainability criteria (if GI producer group has jointly defined those) – Active involvement in the GI producer group during GI lifetime
TSG producer	– Notification of activity of TSG production to the Competent Authority (one off action)
GI producer group	– Voluntary own-initiative investigations during GI lifetime – Inclusion of sustainability statement in GIview – GI producer group to act in managing and marketing their GI assets – Take up roles laid down in the legislation as regards monitoring, information, promotion and legal action
National authority – procedures	– Providing a GI certificate for each new registration (one off action). – Identification of a sole representative GI producer group for each existing/new GI (one off action) – Providing information in GIview for each new registration and updates during the GI lifetime (can be delegated to the GI producer group) – Alignment of Member States' practices in relation to ccTLDs – Alignment of procedural rules for the different sectors
Competent authority - enforcement	– Adaptation of control procedures for GIs following intruduction of a single set of rules for all sectors – Adaptation of control procedures for TSGs – Increased co-operation efforts with authorities within the Member State and across the Member States
EUIPO	– EU scrutiny of GI applications

SUMMARY OF COSTS AND BENEFITS

I. Overview of Benefits (total for all provisions) – Preferred Option		
Description	***Amount***	***Comments***
Direct benefits		
Uniform enforcement standards in the internal market	n.a.	Increased protection of IPR and level playing field for competition
Increased efficiency of procedures due to the involvement of an agency (MS level scrutiny maintained)	Procedures shortened up to 3-4 years	Additional benefits due to full digitalisation of the process.
Shorter registration time	Reduction of up to 3-4 years	
Collective organisation of recognised producer groups and strengthened position	n.a.	– Voluntary own-initiative investigations during GI lifetime: increased enforcement – Inclusion of sustainability statement in GIview – GI producer group to act in managing and marketing their GI assets – Take up roles laid down in the legislation as regards monitoring, information, promotion and legal action
Easier implementation of EU law due to legal clarifications	n.a.	
Contribution to balanced territorial development and to the social fabric of rural areas	n.a.	
More GIs produced in a sustainable manner	150 GIs per year	Estimated increase in GIs with higher sustainability ambition: 50 registrations and 100 amendments to product specifications per year.
Healthier products' alternatives available	50 GIs per year	Contribution to decreased malnutrition and obesity

Increased protection of biodiversity, landscapes; natural resources, animal welfare	n.a.	Due to More GIs produced in a sustainable manner
Facilitated protection of traditional food names	10 registrations per year	
Indirect benefits		
Economic and social cohesion		Due to the incentives to join the GI system
Incentives from voluntary sustainability criteria		

		Businesses		Administrations	
		One-off	Recurrent	One-off	Recurrent
Compliance with new sustainability criteria (if GI producer group has jointly defined those)	Direct costs		Dairy: +1,5% Beef: +0,5 – 3% Sheep: +0,5 – 3,5% Pig meat: 3 – 4% Poultry (broiler): 1,4 – 5,5% Wheat: 2 – 3,4% Apples: 2 – 3% Wine grapes: 2 – 4% [9]		
	Indirect costs				
Active involvement in the GI producer group during	Direct costs		Management of GI certificate: 4 hours per 6 months – 1 working		

[9] Extrapolating from 2014 report "Assessing farmers' costs of compliance with EU legislation in the fields of environment, animal welfare and food safety" https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/cmef/sustainability/assessing-farmers-costs-compliance-eu-legislation-fields-environment-animal-welfare-and-food-safety_en

GI lifetime			day per year. Training and learning guidelines per year: 2 days per year Market intelligence and collective marketing: 2 days per year		
	Indirect costs				
Notification of activity of TSG production to the Competent Authority (one off action)	Direct costs	4 hours (1/2 day)			
	Indirect costs				
Voluntary own-initiative investigations during GI lifetime by GI producer group	Direct costs		Enforcement (monitoring markets and internet: 2 days per year		
	Indirect costs				
Inclusion of sustainability statement in GIview	Direct costs	4 hours (1/2 day)	For updating: 4 hours (1/2 day)		
	Indirect costs				
GI producer group to act in managing and marketing their GI assets	Direct costs		- Training for producers: 3 days per year - Guidelines: 3 days per year - Enforcement (monitoring markets): 3 days per year - Enforcement (monitoring internet): 3 days per year		

			- Enforcement uploading GIview / registering in IPEP: 3 days per year - Notifications of infractions and requests for action to: - Public bodies: 3 days per year - AFA to customs: 3 days per year - operators (import, retail) : 3 days per year - Internet sites / platforms: 3 days per year - Legal 'cease & desist': 3 days per year - Legal action in court: EUR 5000 per year		
	Indirect costs				
Take up roles laid down in the legislation as regards monitoring, information, promotion and legal action	Direct costs		- Monitoring and reporting: 3 days per year - Market intelligence: 3 days per year - Collective marketing: 3 days per year		
	Indirect costs				
Providing a GI certificate for each new registration (one off action)	Direct costs			4 hours (1/2 day)	
	Indirect costs				
Identification of a sole representative GI producer group for each	Direct costs			1 day	
	Indirect costs				

existing/new GI (one off action)					
Providing information in GIview for each new registration and updates during the GI lifetime (can be delegated to the GI producer group)	Direct costs			1 day	
	Indirect costs				
Alignment of Member States' practices in relation to ccTLDs	Direct costs			Administrative cost of aligning national rules[10]	
	Indirect costs				
Alignment of procedural rules for the different sectors	Direct costs			Administrative cost of aligning national procedures, offset by 30% efficiency gains due to outsourcing of GI registration to an agency	
	Indirect costs				
Adaptation of control procedures for GIs	Direct costs			Administrative cost of modernising and simplifying procedures	
	Indirect costs				
Adaptation of control procedures for TSGs	Direct costs			Administrative cost of modernising and simplifying procedures	
	Indirect costs				
Increased co-operation	Direct costs			2 FTEs	

[10] Quantification not possible due to variation of procedures across Member States and different validation chains in Member States' administration.

efforts with authorities within the Member State and across the Member States	Indirect costs				
Control of labelling requirements, notably use of the EU logo	Direct costs			2 FTEs per inspection	
	Indirect costs				
EU scrutiny of GI applications for EUIPO	Direct costs			10 FTEs Product man-power unit cost: lower than baseline	
	Indirect costs				

Estimates of efficiency gains and resource needs for outsourcing are based on work done for Annex 11 on outsourcing.

Estimates of sustainability compliance are based on an FAO 2014 report “Assessing farmers' costs of compliance with EU legislation in the fields of environment, animal welfare and food safety” on the basis that the new undertakings would involve increased compliance costs in the same order as the steps taken in response to legislation in the 2014 report.

Estimates of resource costs for training and management of GIs and enforcement assumed by producer groups are based on subjective estimates by professionals working in the field. Wide variations would be expected, for example on legal costs, if the producer group concerned was engaged in a protracted case.

Annex 4: Analytical methods

1. BRIEF DESCRIPTION OF THE APPROACH

Analysis of the potential impacts of the different policy options for the future GI policy has been based on the methodology proposed in the Better Regulation Guidelines for impact assessment of the Commission[11]. As a first step, potential impacts were identified in relation to the four different options.

This was followed by a primarily qualitative analysis in order to identify the most important impacts of the various options.

This qualitative analysis was complemented with desk research based on information available from a number of documents, namely the

- Evaluation support study on geographical indications and traditional specialities guaranteed protected in the EU of EU quality policy[12] (SWD Annex 12);
- Study on economic value of EU quality schemes, geographical indications (GIs) and traditional specialties guaranteed (TSGs)[13];
- Results from H2020 project Strength2Food and in particular the publication based on Strength2Food project: Arfini F. and Bellassen V. "Sustainability of European Food Quality Schemes – Multi-Performance, Structure, and Governance of PDO, PGI, and Organic Agri-Food Systems"[14];
- Causal estimates of Geographical Indications' effects on territorial development: feasibility and application, JRC Technical Report, Ispra, 2021[15],
- a series of consultations with Member States and stakeholders of EU agricultural quality schemes, the results of the open public consultation (Annex 2), and several other documents and quantitative calculations outlined below.

When analysing the impacts of the different options, the following main aspects were taken into account: **effectiveness** in relation to the objectives; **efficiency** in achieving the objectives (cost-effectiveness); **coherence** with overarching EU objectives (CAP, Farm to Fork strategy and other EU policies)[16]; other important criteria (proportionality, risks); and impacts on stakeholders (producers, administrations, and respondents to consultations). Administrative burden and cost impact calculations are integrated in the efficiency component.

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[11] https://ec.europa.eu/info/sites/default/files/better-regulation-guidelines-impact-assessment.pdf

[12] Evaluation support study on geographical indications and traditional specialities guaranteed protected in the EU - Publications Office of the EU (europa.eu)

[13] https://op.europa.eu/en/publication-detail/-/publication/a7281794-7ebe-11ea-aea8-01aa75ed71a1/language-en

[14] Sustainability of European Food Quality Schemes (Multi-Performance, Structure, and Governance of PDO, PGI, and Organic Agri-Food Systems); Editors: Filippo Arfini, Valentin Bellassen, 2019.

[15] JRC124769, Causal estimates of Geographical Indications' effects on territorial development: feasibility and application | Knowledge for policy (europa.eu)

[16] Coherence with overarching EU objectives (CAP, Farm to Fork strategy and other EU policies) was assessed in general, and in particular for the sustainability aspects stemming from the Farm to Fork strategy. Therefore, the scoring of coherence is reflecting primarily the sustainability aspects.

In line with the Better Regulation guidelines[17], the impact assessment should also provide details for all options on the information obligations for stakeholders which are likely to be added or eliminated if the option was implemented. In those cases in which the change in administrative burden is likely to be significant, the effects should be quantified using the EU Standard Cost Model[18]. However, this approach is difficult to apply while analysing the impact in terms of costs and burden of the implementation of the EU quality policy, as no systematic data is available as well as the national specificities are diverse in terms of organisation of the GI implementation system, which makes it difficult to quantify costs.

Moreover, for making policy comparisons, the baseline for comparison for the present impact assessment is rather limited. The previous evaluation cannot be considered as a baseline for comparison in the context of this impact assessment, due to its elapsed timeframe, covering the evaluation period of 1992 to 2006. In addition, this previous evaluation, completed in 2008, had a narrower sectorial scope focusing solely on agricultural products and foodstuffs, while the current evaluation covers four sectors, namely agricultural products and foodstuffs, wines, spirit drinks and aromatised wine products.

To analyse the impacts of different policy options, experience gathered from previous similar exercises (impact assessments) was combined with evidence gathered from quantitative and qualitative assessment of costs and burdens related to the implementation of the EU GI policy[19], as well as with an assessment of different degrees of potential involvement of an agency to improve the efficiency of the administrative process for the registration and amendment of GIs. Scrutiny procedures at Member States' and EU level were also examined to assess expected costs and burdens of stakeholders involved (see Annex 11). The outcomes of the stakeholder consultations were taken on board, in particular those resulting from the GI conference in November 2020, public consultation, targeted questionnaires for Member States and Civil Dialogue Groups discussions as well as feedbacks of the Members of the European Parliament in the meeting of the EP Committee on Agriculture (see Annex 2 on stakeholder consultations).

2. IMPACT ANALYSIS METHOD

Multi-criteria analysis (MCA) aims to compare different actions or solutions according to a number of criteria. The method is based on the evaluation of actions by means of a weighted average and can be used to select or establish a hierarchy of options.

The Multi-Criteria Analysis (MCA) has been chosen because, as mentioned above, the costs and benefits for substantiating a cost/benefit analysis (CBA) are not feasible to calculate and quantify due to the non-availability of systematic data in the field of implementation of the EU GI policy. The MCA is particularly useful when impact assessment has to be reconciled with specific policy objectives, and as such is used as a tool to ensure the simultaneous assessment of effectiveness, efficiency and coherence of policies. This method allows to provide a snapshot of eventual trade-offs between policy options (such as between some economic and environmental impacts).

[17] https://ec.europa.eu/info/sites/info/files/better-regulation-guidelines-impact-assessment.pdf
[18] https://ec.europa.eu/info/sites/default/files/file_import/better-regulation-toolbox-59_en_0.pdf
[19] The primary source was the Evaluation support study on geographical indications and traditional specialities guaranteed protected in the EU.

The advantage of the MCA is that it enables to judge the advantages and drawbacks of various policy options along the main comparison criteria (usually multiple, since not just efficiency but effectiveness and coherence are prime considerations to be included when ranking options). This method can illustrate the overall additional benefits generated by an intervention but without any consideration whatever of how costs and benefits are distributed among stakeholders.

In this case, the comparison criteria were chosen along the six specific objectives established, namely:

1. Improve enforcement of GIs;
2. Sustainability;
3. Empower producer groups;
4. Awareness of GI schemes/logos;
5. Streamline and clarify legal framework/ procedures;
6. Safeguard the protection of traditional food names (TSGs).

The analysis has been applied in a stepwise procedure, and adapted to the availability of quantified data and specific needs for this impact assessment. The standard procedure for performing a MCA consists of three steps.

I. Based on the Better Regulation Guidelines and linked Toolbox[20], ***for each of policy options (or alternatives in general) a number of indicators (or criteria) should be established which are important in determining an overall ranking of policy options. Three pieces of information are needed:***

- Performance of given policy option with respect to each criterion (i.e. the numerical value of the pertinent indicator);
- Weight (importance) attached to each criterion;
- Direction of each criterion with respect to overall objective. That is, whether higher values of a criterion correspond to better (denoted by +1) or worse (denoted by -1) performance of the option.

This method was adapted by not indicating performance of a given policy option with respect to each criterion, as it is not feasible in this case to adequately quantify.

The weights for the criteria have been estimated based on expected impacts as expressed by stakeholders in the stakeholder consultation, in particular the public consultation.

The importance of the impact was valued by 1-2-3. In addition, a value for stagnation was added; a zero multiplier, when importance to the impact was not detected.

Multiplication of the weighting parameters and importance of the impact gives a composite quantity, which allows each policy option to be compared and ranked in respect to each criterion.

[20] https://ec.europa.eu/info/sites/default/files/file_import/better-regulation-toolbox-63_en_0.pdf

II. The second step is to build a square N x N matrix, called the outranking matrix, which summarises how one option compares against another for all possible pairs of policy options.

Traditionally, the second step is in the MCA is to build a square N x N matrix, called the outranking matrix, which summarises how one option compares against another for all possible pairs of policy options. This methodology was adapted in a way that no pairwise comparison of options was elaborated. Instead of this outranking matrix, a simple comparative *ranking matrix* was used, calculating each policy option's weighted scoring according to the selected criteria, instead of the traditional pairing and pairwise agreement assessment of policy options.

III. The aim is to select a final ranking of all the possible policy options which maximizes pair-wise agreement (and minimize disagreement). There are N! (factorial) different ways to rank the policy options which should be "scored" using the outranking matrix prepared in step 2.

This methodology was adapted, as indicated above. The assessed policy options in the impact assessment are mutually exclusive, therefore no pairwise comparison of options was elaborated. The final ranking was based on each policy option's weighted scoring according to the selected criteria.

As regards the summary matrix on impacts, the ranking matrix was further nuanced following a holistic approach. In particular the final ranking, based on the scores, was fine-tuned by internal qualitative assessments and expert opinions based on the analysis on the advantages and drawbacks of the various policy options, stakeholder feedbacks gathered during various consultative events. This allowed for a more balanced assessment of impacts and thus comparison of policy options, which would in this case play the role of a summary table comparing the strengths of the various options versus the specific objectives.

3. IMPLEMENTATION STEPS

As a first step, a **set of criteria** has been established, considering the main types of impacts on producers and stakeholders, including the REFIT aspects, along the Specific objectives (as criteria):

- Improve **enforcement** of GI rules to better protect IPR and better protect GIs on the internet, including against bad faith designations in the domain name system (DNS) and bad-faith uses of GIs that have been allocated as TLDs or SLDs, thus to combat counterfeiting.

- Integrate societal challenges on **sustainability** in the GI framework to better reflect and communicate the sustainability aspects of the GI product, in relation to the environmental and social dimension of sustainability, which includes animal welfare and health.

- Empower producers and **producer groups** to better manage their GI assets and encourage the development of structures and partnerships within the food supply chain.

- Increase correct market perception and **consumer awareness** of GI schemes and logos to enable consumers to make informed purchasing choices.

- Streamline and clarify the **legal framework** to simplify and harmonise the procedures for application for registration of new names and amendments to product specifications.

- Safeguard the protection of **traditional food names** to better valorise and preserve traditional products and production methods.

Secondly, the estimated **weighting** of the selected criteria was established, taking into account the feedbacks by stakeholders on expected impacts identified in the public consultation on a number of focus areas (Section 3.4). In particular the share of replies marked as expected impacts to be "positive" and "very positive" were analysed for **effectiveness**. The share of replies marked as "negative" and "very negative" regarding the impacts expected for costs/ administrative burden were accounted for costs and administrative burden elements for the cost/**efficiency** comparison with a negative sign. For the assessment of the options regarding the TSG scheme, a specific question was dedicated on the safeguarding of the TSG scheme; for this the "agree" and "tend to agree" replies were summed up.

Thirdly, based on the percentages of replies provided for the questions under each focus area, an average percentage share was calculated as a weight for each criteria.

Fourthly, the magnitude of **impact of the criteria** is reflected in the respective scoring attributed to each option (0/+1/+2/+3), based on our analysis. This estimation reflects the importance of the impact of the criteria, and was elaborated based on internal qualitative assessments, expert opinion, public consultation (Section 3.2 Objectives), taking into account internal expertise and the analysis of direct and indirect impacts of the options, the advantage and drawback elements of the various options as well as the elements of the estimated cost/benefit assessment.

Finally, the weights were multiplied by the value attributed on the impact of the criteria and the sum up of the weighted values were identified for each options. These weighted values were included in a simple *ranking matrix* illustrating the strength of the various options according to the weighted scoring against the different criteria.
This ranking matrix was translated to a *Summary table* on comparing the strength of various options based on their scoring (+).

The whole process was summed up in an *impact matrix* illustrating the strength of options according to effectiveness, efficiency, coherence, proportionality and attributed implementing risk factors. This summary table also integrated the outcomes of the internal qualitative assessments and expert opinions based on the analysis on the advantages and drawbacks of the various policy options, stakeholder feedbacks gathered during various consultative events (e.g. meetings with stakeholders, committee meetings, and consultations).

The proportionality of the options was estimated based on the perception of stakeholders on the proposed reform action. For instance, the introduction of one single obligatory logo may seem not proportionate as regards the envisaged results in light of the firm resistance of certain sectors to the obligatory use of the EU logo. In this respect, Option 3 would seem as not proportionate based on the feedbacks of stakeholders, who perceive

such action as too strict and therefore not proportionate to the impacts to be achieved (receiving "+" only, while more balanced options received "++").

Results of the multi-criteria analysis:

I.	Input matrix		PO-0 Baseline scenario	PO-1 Improve and support	PO-2 Better define and reinforce	PO-3 Harmonise and upgrade
		weight	impact			
	Criteria					
	Effectiveness					
	Improve enforcement of Gis	62.8	0	1	3	2
	Sustainability	60.8	0	1	2	2
	Empower producer groups	62.1	0	1	2	3
	Awareness of GI schemes/logos	65.5	0	1	2	2
	Streamline and clarify legal framework/ procedures	61.8	0	1	2	2
	Safeguard the protection of traditional food names	43.8	0	1	2	1
	Efficiency					
	Improve enforcement of GIs	-27.5	0	1	2	3
	Sustainability	-38.5	0	1	2	3
	Empower producer groups	-25	0	2	2	2
	Awareness of GI schemes/logos	-17	0	1	2	2
	Streamline and clarify legal framework/ procedures	-8	0	1	1	3
	Safeguard the protection of traditional food names	-21.5	0	1	2	2

II.	Ranking matrix		PO-0 Baseline scenario	PO-1 Improve and support	PO-2 Better define and reinforce	PO-3 Harmonise and upgrade
	Criteria					
	Effectiveness					
	Improve enforcement of GIs		0	62.8	188.4	125.6
	Sustainability		0	60.8	121.6	121.6
	Empower producer groups		0	62.1	124.2	186.3
	Awareness of GI schemes/logos		0	65.5	131	131
	Streamline and clarify legal framework/ procedures		0	61.8	123.6	123.6
	Safeguard the protection of traditional food names/ better		0	43.8	87.6	43.8
			0	**356.8**	**776.4**	**731.9**
	Efficiency					
	Improve enforcement of GIs		0	-27.5	-55	-82.5
	Sustainability		0	-38.5	-77	-115.5
	Empower producer groups		0	-50	-50	-50
	Awareness of GI schemes/logos		0	-17	-34	-34
	Streamline and clarify legal framework/ procedures		0	-8	-8	-24
	Safeguard the protection of traditional food names/ better		0	-21.5	-43	-43
			0	**-162.5**	**-267**	**-349**
	Total		**0**	**194.3**	**509.4**	**382.9**

Aggregate scores for Effectiveness and Efficiency:

Criteria *Effectiveness and Efficiency*		PO-0 Baseline scenario	PO-1 Improve and support	PO-2 Better define and reinforce	PO-3 Harmonise and upgrade
Improve enforcement of GIs		0	35,3	133,4	43,1
Sustainability		0	22,3	44,6	6,1
Empower producer groups		0	12,1	74,2	136,3
Awareness of GI schemes/logos		0	48,5	97	97
Streamline and clarify legal		0	53,8	115,6	99,6
Safeguard the protection of		0	22,3	44,6	0,8
		0	**194,3**	**509,4**	**382,9**

Summary table:

Improve enforcement of GIs		0	++	+++	++
Sustainability		0	+	++	+
Empower producer groups		0	+	++	+++
Awareness of GI schemes/logos		0	+	++	++
Streamline and clarify legal framework/ procedures		0	+	+++	++
Safeguard the protection of traditional food names/ better		0	+	+	+

Impact matrix:

	PO-0 Baseline scenario	PO-1 Improve and support	PO-2 Better define and reinforce	PO-3 Harmonise and upgrade
Effectiveness	0	++	+++	++
Efficiency	0	+++	++	+
Coherence	0	+	++	++
Proportionality	0	+	++	+
Implementation and compliance risks	0 No risks	+++ Limited risks	++ Medium risks	+ Higher risks

Weights of impacts per criteria (Source: Public consultation (Section 3.4 Impacts)). Share of replies "positive" and "very positive":

	Questions																				average %
Impacts (+ and very +)	1		2		3		4		5		6		7		8		9		10		
Protection and enforcement	58	28	33	37	22	42	53	34	18	23	10	19									62,8333333
Sustainability	10	53	16	56	26	51	21	53	28	54	34	52	5	14	3	11					60,875
producer groups	34	50	27	55	11	57	13	55	24	53	25	50	17	39	15	41	5	22	6	22	62,1
EU logos	38	39	27	49	20	43	20	46	24	40	46	36	40	33	8	15					65,5
Burdensome procedures	28	48	32	45	30	38	13	32	12	31											61,8
TSG scheme (agree/ strongly agree)	54	23	16	17	39	22	11	16	27	16	13	9									43,8333333

Weights of costs per criteria (Source: Public consultation (Section 3.4 Impacts). Share of replies on costs and administrative burden as "negative" and "very negative" (taken into account in the calculations with a negative sign):

Costs+ admin burden	**negative/ very negative impact**	costs		admin burden		average
Protection and enforcement	3.4.1. e-f		25		30	27.5
Sustainability	3.4.2e-f		48		29	38.5
producer groups	3.4.3 i-j		30		20	25
EU logos	3.4.4 h		17		0	17
Burdensome procedures	3.4.5 d-e		7		9	8
TSG scheme (agree/ strongly agree)	**average of all above**	0	25.4	0	17.6	21.5

Annex 5: Protecting GIs on the internet (DNS)

1. 1. INTRODUCTION

This annex presents current mechanisms for protection of geographical indications (GIs) in the domain name system (DNS) on the internet, the lack of protection of GIs in certain respects and options for improvement.

GI names applied for in bad-faith as second level domains remain out of the scope of the Uniform Domain-Name Dispute-Resolution Policy (UDRP) as they are not considered as 'prior rights' under this and many other Alternative Dispute Resolution (ADR) mechanisms used to govern disputes on domain name registration.

There is no harmonization in the laws or several treaties administered by WIPO and violations concerning GIs in the domain name system are handled case by case. In international discussions, GIs are often treated on a par with country names, and other geographical terms in the domain name system. Such approach is confusing as many GIs include non-geographical elements and the treatment does not reflect their status as intellectual property rights and does not provide legitimate right holders with adequate legal means of protection.

In the view of the ongoing expansion of new generic top-level domains (new gTLDs), by the Internet Corporation for Assigned Names and Numbers (ICANN), there is scope for GI names to be applied for by operators acting in bad-faith. It is unclear if ICANN will take their protected status into account in the way that a bad-faith application to usurp a trade mark would be challengeable.

2. 2. DEFINITIONS

- **Registry** – an operator responsible for administration and regulation of domain extensions (generic or country).

- Registrar – an **ICANN accredited organisation** that has **the authority to issue domain name operating licenses** to the Registrant (final user).

- **Registrant** – a final user (a person or an organization) who registers a domain name.

- **ICANN – Internet Corporation for Assigned Names and Numbers** – an internationally organized non-profit organization based in Los Angeles, US, that coordinates the Internet's global domain name system (DNS). It is responsible for the allocation and assignment of domain names, particularly gTLDs and national ccTLDs system management in addition to other activities.

- **DNS - Domain Name System** – since "domain names are the human-friendly form of Internet addresses", the DNS system translates Internet Protocol (IP) addresses (complicated string of numbers used by computers) into Internet domain names (like google.com) which are easier to remember and use. Domain

names may also serve the purpose of identifying a company or a trade mark on the Internet[21].

- **Top Level Domain (TLD)** – is the highest level in the hierarchical DNS of the Internet and is located after the last dot (“.”), for example, in “iprhelpdesk.eu”, the top-level domain is .eu. The DNS includes two main types of top-level domains: generic top-level domains (gTLDs) and country code top-level domains (ccTLDs):

- **gTLD** – generic Top Level Domain indicates the area of activity and may include traditional TLDs such as .com, .info, .net, and .org, as well as relatively new gTLDs (introduced starting 2014) such as .pub, .rentals or .ngo.

- **ccTLD** – country code Top Level Domain; indicates the country or territory in which the domain owner intends to operate, .e.g. .fr for France.

- **Second level** – the second level of a domain name is located directly to the left of the top-level domain. For example, in iprheldesk.eu, the second level domain would be “iprhelpdesk”.

- **Third level** – the third level of a domain name, also known as a subdomain, is located directly to the left of the second-level domain. For example, in “helpline.iprheldesk.eu, the third level domain would be “helpline”. It doesn’t exist in every address as it is often used to identify the different sections of a website, usually corresponding to different departments in large organizations.

- **New gTLDs** – in 2012, ICANN launched “New gTLD Program” in order to expand the domain name system. Individuals and companies can register their domains under new extensions, such as .guru or .book, including in non-Latin language scripts, as long as it complies with a series of criteria established in the “New gTLD Applicant Guidebook”. In the case of gTLDs representing regulated sectors, such as .bank and .pharm, only entities having the appropriate authorisations to operate in the respective sectors could register domain names in such gTLDs.

- **Cybersquatting** – a practice of making abusive registrations of domain names identical or similar to a third party company name or trade mark, with bad faith intent to profit from the goodwill of a third party brand, or in the hope of reselling them at a profit (often to the owner of the previous domain name or trade mark).

- **UDRP** – **Uniform Domain-Name Dispute-Resolution Policy** – a system established by ICANN for the resolution of disputes regarding the abusive registration and use of second-level domain names.

- **WIPO Arbitration and Mediation Center** – based in Geneva, established in 1994 to offer Alternative Dispute Resolution (ADR) options for international commercial disputes between private parties.

[21] European IPR Helpdesk, Fact sheet, Domain names and cybersquatting, 2017, page 2

- **ADR – Alternative Dispute Resolutio**n – a process which helps parties under dispute to resolve their international commercial domain name disputes and come to agreement without filing any litigation[22].

- **TMCH – The Trade mark Clearinghouse –** a centralized database of verified trade marks intended as a rights protection mechanism for trade mark owners as part of the new gTLD program. Trade marks that are registered, court-validated, or protected by statute/treaty can apply to register in the TMCH[23].

For further references see ICANN glossary at:

https://www.icann.org/icann-acronyms-and-terms/en/nav/G
http://archive.icann.org/en/topics/new-gtlds/glossary-30aug11-en.pdf

3. 3. GLOBAL INTERNET GOVERNANCE

The transnational nature of Internet presents a challenge to application of territorial-based laws. Since 1998, the Internet Corporation for Assigned Names and Numbers (ICANN) has coordinated the Internet's global domain name system (DNS) and is essentially responsible for the stable and secure operation of the Internet. This includes the allocation and assignment of domain names, particularly generic Top-Level Domains (gTLD) and country code TLD (ccTLD).

ICANN is registered in the state of California (US) as a non-profit public benefit corporation. According to its articles of incorporation (9.08.2016 update[24]), Article III, the corporation shall operate "*in conformity with relevant principles of* ***international law*** *and international conventions and* ***applicable local law*** *and through open and transparent processes that enable competition and open entry in Internet-related markets. To this effect, the Corporation shall cooperate as appropriate with relevant international organizations.*" (emphasis added). The 'applicable local law' clause in particular, should constrain ICANN to prevent bad-faith exploitation of the domain name system by allowing domain names to be registered in contravention of local laws protecting GIs. However, in practice the clause is overlooked or only adhered to when expressly implemented.

ICANN operates a "multi-stakeholder approach" which allows for "community-based consensus-driven policy-making" they claim. ICANN stakeholders include public authorities and companies that offer domain names to the public companies (registrars), that operate top-level domain registries (gTLD and ccTLD registries), internet service providers, intellectual property interests, business users, non-commercial users (such as academics, non-governmental organizations, non-profits and consumer advocates), and some individual internet users.

Within the EU, Member States, are represented on the High Level Group on Internet Governance (HLIG), the platform through which the European Commission, EU

22 European IPR Helpdesk, Fact sheet, Alternative Dispute Resolution (ADR) mechanisms, 2014

23 S. Gerien & Ch. Passarelli, Challenges for GIs in the context of the ICANN new generic Top-Level Domains, origin 2016, page 27

24 https://www.icann.org/resources/pages/governance/articles-en

Member States and the multi-stakeholders informally exchange information and views on a wide range of issues related to Internet governance with the goal to develop EU priorities for internet governance. In 2012, the HLIG mandate was reconfirmed as a non-decision-making body for sharing information and good practices.

We can see that governance of the internet is essentially a private law operation. While the system is 'open to all' its management lacks democratic accountability in the sense of operations being subject to a set of laws and public elected legislatures. The failure to recognise GIs as prior rights has been the result of lobbying by those privileging trade mark interests (erecting a false opposition between the two forms of IPR), with the result that holders of one form of IPR that typically protects weaker players in the market against the stronger have been denied recognition at all in the proceedings and decisions of ICANN.

EU internet policy and international action is essentially a competence of Member States while coordination is provided through the HLIG. The exclusive competence of the Union in matters relating to the agricultural, wines and spirits GIs that also applies under the common commercial policy is not reflected in matters of internet governance.

4. 4. THE PROBLEM OF MISUSE OF GIS IN THE DNS ON THE INTERNET

The Domain Name System (DNS) supports an accessible, functional and trustworthy Internet, but it is not immune to abuse. Regarding intellectual property rights (IPR), increased use of the internet is also associated with counterfeiting and IPR theft – and other bad faith uses spawning a new language of commercial abuse like 'cybersquatting', 'typosquatting' and 'dotsquatting' and extra-legal remedies used by stronger actors against weaker like 'reverse domain name hijacking'. This is extremely problematic from the point of view of GIs which lack recognition as prior rights in much of the domain names system, with a corresponding increase in risks of abuse.

Domain name allocations and registrations that conflict with trade marks can be challenged by the trade mark owners. While it can be argued that the domain name per se that conflicts with a trade mark identifying a good, is not a competing product nor a confusingly similar use, there is clearly scope for the domain name owner to exploit the reputation of the trade mark in conducting business under the domain name. To protect trade mark holders, a number of mechanisms have been developed within the ICANN system. These include the Trademark Clearing House where trade marks are registered and checked against new domain names; Sunrise periods to allow trade mark holders a period of time to register SLDs before registrations are opened to all; the Trademarks Claims Service that notifies a domain applicant and trade mark holder if a conflictual domain in being applied for; and 2 dispute resolution services, the URS (Uniform Rapid Suspension) and UDRP (Uniform Domain Name Dispuite Resolution Policy) to suspend or reallocate domains where bad faith activitiy is shown.

None of these provisions apply to GIs. Yet the value to GI holders of their collective IP rights is equivalent to that of trade mark values to trade mark holders.

5. 5. APPLICABLE LAW FOR PROTECTION OF GIS ON THE INTERNET

5.1. 5.1. The international legal framework

At the international multilateral level, following are the basic two treaties relevant for protection of GIs:

The Paris Convention for the Protection of Industrial Property (1883) – setting out the obligation of States to ensure appropriate legal remedies for repressing the use of false indications of source.

TRIPS - The Agreement on Trade-Related Aspects of Intellectual Property Rights (1995) – contains a general obligation for WTO Members to provide protection against misleading use of a GI and against use that constitutes an act of unfair competition.

WIPO Lisbon Agreement for the Protection of Appellations of Origin and their International Registration (1958) and the more recent Geneva Act of the Lisbon Agreement on Appellations of Origin and GIs (2015) – provides for international registration of GIs and protection among participating members.

5.2. 5.2. EU regulations

In the EU GIs are protected through a sui generis system.

Article 13(1)(a) of **Regulation (EU) No 1151/2012 on quality schemes for agricultural products and foodstuffs** protects registered names against "any direct or indirect commercial use of a registered name in respect of products not covered by the registration where those products are comparable to the products registered under that name or where using the name exploits the reputation of the protected name, including when those products are used as an ingredient".

Regulation (EU) 1308/2013 contains a similar provision for wines, as does **Regulation (EU) 2019/787** for spirits and **Regulation (EU) 251/2014** for aromatized wines.

Article 14 of the E-commerce **Directive 2000/31/EC** provides for the possibility for a court or administrative authority, in accordance with MS regulations to require the service provider to terminate or prevent an infringement, as well as the possibility for Member States to establish procedures governing the removal or disabling of access to information.

One could argue that EU law offers satisfactory protection for GIs against their misuse as domain names on a multitude of legal basis. This protection, however, focuses on commercial use and comparative or misleading advertising, but not on the registration of a domain name as such or the use of the protected geographical term as a domain name in the absence of bad-faith behaviour.

The legal regime applicable to .eu is EU law. For the EU Member State TLDs, .nl, .fr etc., national law may apply including the EU legal

component. Thus, the protection of GIs set out above from Article 13 of Regulation (EU) 1151/2012 applies in principle to management of all the EU country-code domain names. An EU GI used in a second level domain under .nl or .eu should be qualified as an 'indirect use' in so far as a product is being sold on that site and any breach of Article 13 cited above be prevented.

For .com, .net, and the generic TLDs .vin and .wine, etc., some authors consider that the law of the US (state of California) applies. However, the ECJ has ruled in respect of sales platforms that if a product is targeted for sale on EU customers, then EU law applies. More generally, where an operator holds a (territorial) right which is breached in that territory by actions on the internet, the right holder should be able to take action for the breach to stop and/or for damages. National authorities have the technical power to block an internet page, site or domain, and will do so in case of clear legal breach such as to prevent exceptionally serious criminal activity.

6. 6. GIs IN THE .EU TOP-LEVEL DOMAIN

6.1. 6.1. Regulatory framework and the protection of GIs in the .eu Top-Level Domain

Management of the .eu top-level domain (TLD) was established by Regulation (EC) No 733/2002 and by Regulation (EC) No 874/2004. It was launched by the Commission in April 2006. Currently, the .eu TLD is the eighth largest TLD in the world with over 3.6 million registrations[25]. The domain name is operated and managed by EURid, a private, non-profit organisation, appointed by the European Commission, under a service concession contract to act as its registry until 12 October 2022.

The .eu legal framework requires the .eu Registry to adopt policies and implement measures to avoid speculative and abusive registration of domain names.[26] It defines speculative and abusive registration as follows:

> "A registered domain name shall be subject to revocation, using an appropriate extra-judicial or judicial procedure, **where that name is identical or confusingly similar** to a name in respect of which a right is recognised or established by national and/or Community law, and where it (a) has been registered by its holder without rights or legitimate interest in the name; **or** (b) has been registered or is being used in bad faith."[27]

Article 10(1) of Regulation (EC) 874/2004 explicitly states that GIs are considered to be 'prior rights'. Prior rights include, inter alia, registered national and community trade marks, GIs or designations of origin, and, in as far as they are protected under national law in the Member-State where

25 EURid's quarterly report (2020): https://eurid.eu/media/filer_public/83/87/8387d2d7-1e16-4b30-ada4-6fa0e813df4f/quarterly_report_q12020.pdf

26 Article 5 of Regulation (EC) No 874/2004

27 Article 21 of Regulation (EC) No 874/2004

they are held: unregistered trade marks, trade names, business identifiers, company names, family names, and distinctive titles of protected literary and artistic works.

6.2. 6.2. Review of the current laws

Since the adoption of the .eu regulations, the political and legislative context of the Union and the online market have changed significantly. In 2018 the Commission proposed a Regulatory Fitness and Performance Programme (REFIT) review of the current .eu laws. The evaluation shows that the current regulatory framework does not sufficiently support the stability and sustainability of the .eu TLD and does not fully exploit its potential within the EU Digital Single Market[28].

The new **Regulation (EU) 2019/517** on the implementation and functioning of the .eu TLD was adopted on the 19 March 2019, and will apply as of 13 October 2022. It simplifies and repeals Regulations (EC) 733/2002 and (EC) 874/2004. According to the new Regulation, by 12 October 2021, the Commission shall designate and enter into a contract with the entity that will act as the .eu Registry. The contract shall include among others the following:

– an Alternative Dispute Resolution policy;

– a policy on the speculative registration of domain names;

– a policy on abusive registration of domain names and a policy on the timely identification of domain names that have been registered and used in bad faith;

– a policy on the revocation of domain names;

– the treatment of **intellectual property rights**.

ADR procedures should respect uniform procedural rules that are in line with those set out in ICANN's UDRP.

Regulation (EU) 2019/517 does not contain a definition of 'intellectual property rights' and does not mention GIs explicitly. In the absence of any definition of intellectual property rights in Regulation (EU) 2019/517, it may be assumed that GIs and all other types recognised at least in TRIPS are covered.

6.3. 6.3. EURid and EUIPO cooperation in respect of EU trade marks

Before 2016 EUIPO and EURid noted that bad-faith operators were systematically browsing EUIPO's trade mark database seeking new EU

[28] Executive Summary of the Impact Assessment accompanying the document "Proposal for a Regulation of the European Parliament and of the Council on the implementation and functioning of the .eu Top Level Domain name and repealing Regulation (EC) No 733/2002 and Commission Regulation (EC) No 874/2004, page 1

trade mark (EUTM) applications and making speculative or abusive .eu domain name registrations for the same terms (cybersquatting). EUIPO and EURid collaborated to facilitate checking by EUTM applicants if an equivalent .eu domain name is available and thus file for registration with the accredited registrars.

As of 18 May 2019, a notification (alert) upon registration of a .eu domain name that is identical to an EUTM was made available to the trade mark holders.[29] By receiving such alert, EUTM holders are informed much faster and may take an appropriate action much sooner.

In addition, a letter of collaboration was signed between EURid and EUIPO in 2019, strengthening cooperation between the two organizations with the aim of ensuring protection against potential fraudulent domain name usage[30].

In this context, it should be possible to investigate the feasibility of a similar initiative with regard to proceedings on GIs to strengthen their protection in .eu domain. Under the GIview project, the right holder for each GI is identified and available to be notified, therefore, of a SLD under the .eu domain.

6.4. 6.4. GIs in generic top-level domains

In 2011, ICANN concluded its policy development and began initial implementation of an application and evaluation process for the new generic top-level domain (gTLD) program, which has opened the way to a virtually limitless variety of domain name designations at the top level. Almost any conceivable word, letter, number, written in any script, can become the name of the new top-level domain.

Twenty-two gTLD, such as .com, .gov, .edu, .org, .net, .mobi, .info, have been in use until early 2014 (etc.) in addition to over 250 country-code TLDs like .it, .cn, .pl. New generic TLDs were available for registration as of 2014. At the moment, according to the statistics, there are 1185 registered gTLDs, and domains such as .beer, .vodka already in use[31]. These new technical facts will multiply the cases of potential to use and to misuse GIs in the field of domain names[32].

[29] https://euipo.europa.eu/ohimportal/en/news/-/action/view/5140548

[30] EURid and EUIPO strengthen their collaboration, access: [https://eurid.eu/es/news-spanish/eurid-and-euipo-strengthen-their-collaboration/]

[31] Statistics available online: [https://ntldstats.com/tld]

[32] T. Georgopoulos, Cyberspace v. Territory: Domain Names and the Problem of Protection for GIs, p. 316

6.5. 6.5. Expansion of gTLDs

Since 2020 ICANN has been issuing a planned 1300 new gTLDs. As noted above, under ICANN's articles of incorporation, its activities shall respect 'local law' as well as international law.

At international level, this would include the basic protection provided under the TRIPS agreement. For members of the relatively new Geneva Act of the Lisbon Agreement greater level of protection in respect of registered appellations of origin and GIs. It states that each Contracting Party shall provide the legal means to prevent any practice liable to mislead consumers as to the true origin, provenance or nature of goods. Domestic laws of the Parties should arguably prevent the registration of new gTLDs by those, who are not entitled to use the names.

Stakeholders have asked for the public authorities to set up a **notification and registration system** for rights in GIs that could function in a manner similar to the trade mark claims service developed through ICANN's New gTLD Program[33]. Legitimate GI right holders would be notified of completed registrations and at the same time put in a better position to challenge abusive registrations. This service is intended to put domain name applicants on notice of existing rights and offer them the choice of either terminating or continuing with a domain name application.

7. 7. ALTERNATIVE DISPUTE RESOLUTION POLICIES (ADR)

Since the Internet has a global reach and the resolution of cross-border domain disputes through court proceedings is costly and time-consuming, extrajudicial **alternative dispute resolution** (ADR) mechanisms to resolve such disputes are widely used to prevent speculative and abusive domain name registrations.

The system operates normally through private law – ICANN appoints the management entity for a TLD and this entity includes in all its contracts of domain names (i.e. second level domains under that TLD) the obligation for the domain applicant to submit to arbitration in case of dispute. Any opponent then has the choice of the courts (with all the uncertainties, costs and drawbacks highlighted) or a cheap, fast and effective ADR system – as nominated by the TLD manager.

7.1. 7.1. UDRP - Uniform Domain-Name Dispute Resolution Policy

ICANN's **standard** ADR is the UDRP (Uniform Domain Name Dispute Resolution Policy), developed in 1999 to combat cybersquatting in the generic TLDs (like .com, .biz, .net, etc) and those ccTLD managers (normally agents for the public administrations) that have adopted the UDRP. All ICANN-accredited registrars have had to agree to abide by and implement the UDRP, therefore any person or entity who registers a domain

[33] Rights in GIs, KluwerIPLaw, Kluwer Law International 2018, page 7

name in the gTLDs and ccTLDs in question is required to express a consent to the terms and conditions of the UDRP[34].

Under UDRP, an operator challenging a second-level domain under the UDRP must show that **three cumulative conditions** are met:

(1) the domain name is identical or confusingly similar to a trade mark or service mark in which the complainant has rights. Holding a GI protected under a sui generis (non trade mark) system is not recognised to give *locus*;

(2) the domain name holder has no rights or legitimate interest in the domain name;

(3) the domain name has been registered **and** is being used in bad faith. (This is in fact 2 conditions)[35]

The proceedings are conducted before one of the administrative-dispute-resolution service providers, which are officially listed by ICANN (e.g. globally, the *WIPO Arbitration and Mediation Center*; in the wider European region, *The Czech Arbitration Court Arbitration Center for Internet Disputes*; in the Asian region, *the Asian Domain Name Dispute Resolution Centre*); etc.

A successful complaint under the UDRP could have the following decisions: denial; cancellation of the domain name; its transfer to the complainant; or other changes to the domain name registration. The UDRP procedure is much shorter than court proceedings. It usually takes 60 days from the date the complaint is received by the dispute resolution service provider for a case to be concluded. This does not prevent the domain name registrant or the complainant from using other options, such as court proceedings or confidential negotiations, to solve disputes.

While demonstrating bad-faith use and registration can be problematic, (especially if the domain is not yet used and so the owner's real intentions are unclear), the **first problem is the precondition that the challenger must hold a trade mark** to file an action under UDRP. The **exclusion of GIs as recognised prior rights** has been a long-standing point of controversy in the internet community and the debate has been focussed on discussions and decisions made in WIPO – by consensus, including therefore by all MS. But until today, GIs have not been accorded consistent protection commensurate to that of trade marks under ICANN Uniform Domain Name Dispute Resolution Policy (UDRP).

The need for the protection of GIs in the DNS was discussed in the final report of the First WIPO Internet Domain Name Process dated 30 April 1999, but the possibility of extending the UDRP to GIs was considered

[34] J.Janssen, ICANN dispute resolution procedure in: [F. Petillion, Domain & Domain Names 2016, Crowell & Moring LLP, 2016], page 8

[35] Rules for Uniform Domain Name Dispute Resolution Policy, [https://www.icann.org/resources/pages/udrp-rules-2015-03-11-en]

premature because of the lack of global harmonisation of international GIs norms[36].

On 10 July 2000, Second WIPO Internet Domain Name Process was commenced. The final **Report of the Second WIPO Internet Domain Name Process** referred to problems of misuse of GIs in the DNS experienced by a number of organisations concerned with protecting the interests of the users of GIs (including the *Office international de la vigne et du vin (OIV)* and the *Institut national des appellations d'origine (INAO)*). The report accepted that there is undeniable evidence of abusive registration and use of GIs and admitted that principles and provisions of the UDRP are inadequate to cover the question of the conflict between GIs and domain names.[37] But owing to a lack of consensus, the main conclusion was that at that stage was a recommendation "that **no modification be made to the UDRP**."[38] The idea behind this recommendation was that supposedly new law would need to be created to better protect GIs.

In 1998, WIPO also created the Standing Committee on the Law of Trade marks, Industrial Designs and GIs (SCT) to serve as a forum to discuss issues, facilitate coordination and provide guidance on the progressive development of international law on trade marks, industrial designs and GIs, including the harmonization of national laws and procedures. Over the years, there have been several efforts to propose the protection of GIs in the DNS to be covered by UDRP (at 31st SCT, 41st SCT…), however no change has been made.

During the WIPO 42nd SCT session 4-7 November 2019, Switzerland with other countries referred to ICANN's commitment from 31st WIPO SCT session (2014) to review the rights protection mechanisms. However, after 6 years this process has not started yet. SCT discussed also the results of the questionnaire on the Use/Misuse of GIs, Country Names and Geographical Terms on the Internet and in the DNS. **SCT session was concluded with information sessions during the 43rd SCT session,** which comprised two panels on (i) evaluation of the conditions that created the basis for the geographical indication protection and evaluation of any changes to those conditions; (ii) ways to prevent operators profiting from bad faith use and registration of GI intellectual property rights in the DNS. This process in SCT is the only forum where GI law and protection of GIs on the internet specifically is being discussed in a constructive way. However, the failure of WIPO and the members of WIPO to uphold rights in GIs, guaranteed under what is now a WIPO-managed Treaty since 1883, has *de facto* stopped progress on the international plain.

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36 Domain Names and GIs, page 347

37 WIPO, The Recognition of Rights and the Use of Names in the Internet Domain Name System, Report of the Second WIPO Internet Domain Name Process, access: [https://www.wipo.int/amc/en/processes/process2/report/html/report.html#6]

38 Idem

7.2. 7.2. Domain name disputes in the .eu top-level domain

ADR for .eu domain names is offered by and can be initiated via the Czech Arbitration Court (CAC) and the WIPO Arbitration and Mediation Center (WIPO Center).

Whereas the UDRP is limited to the protection of trade mark rights, the **ADR Rules cover rights protected in Europe,** inter alia, registered national and European Union trade marks, **GIs** or designations of origin, and, in as far as they are protected under national law in the Member State where they are held: unregistered trade marks, trade names, business identifiers, company names, family names, and distinctive titles of protected literary and artistic works.

While the UDRP sets three cumulative requirements, under the ADR Rules **a complainant must demonstrate:**

(1) why the disputed domain name **is identical or confusingly similar** to the name or names in respect of which a right or rights are recognized or established by national and/or European Union law (as specified and described in accordance with Paragraph B 1 (b)(9)); and,

either:

(2) why the disputed domain name has been **registered** by its holder without rights or legitimate interests;

or

(3) why the disputed domain name should be considered as **having been registered or being used in bad faith**.[39]

The first condition gives GI holders the necessary locus to challenge domain allocations. Under the GIview project, the GI right holder (normally a producer group) is specifically identified with contact details, *de facto* habilitating this operator to challenge a domain under .eu.

In a significant departure from the UDRP's cumulative criteria, the burden of challenging an .eu domain allocation is considerably widened to the alternative grounds of: lack of legitimate interest, *or* registration in bad faith, *or* use of the domain in bad faith. It is sufficient to prove that either registration or use of the disputed domain name by the registrant is in bad faith, whereas the UDRP requires the complainant to prove both.

The remedies available pursuant to an ADR Proceeding are limited to the **revocation** or to the **transfer** of the disputed domain name to the complainant.

[39] ADR.eu - .eu Alternative Dispute Resolution , .eu Alternative Dispute Resolution Rules (the "ADR Rules"), access: [https://eu.adr.eu/html/en/adr/adr_rules/eu%20adr%20rules.pdf], page 10

7.3. 7.3. Past dispute cases of misuse of GIs in DNS

The ban on GIs as a prior right under UDRP and the discrepancies between UDRP and other ADRs have been demonstrated in several cases carried out by WIPO Center.

7.3.1. 7.3.1. Case champagne.co between CIVC and Steven Vickers

The seminal dispute ruling arises from the case of **champagne.co** in 2010, where the domain name champagne.co was registered by a computer sales operator Mr Vickers. CIVC (the representative body of Champagne producers) filed a complaint against the registrant under the UDRP with the WIPO arbitration centre, arguing that the UDRP was applicable to protect the word "Champagne" against cybersquatting, because it held unregistered trade mark rights on the "Champagne" mark. However, the Panel decided to deny the Complaint, because CIVC **did not possess any registered trade marks** (as required by the UDRP)[40] and the GI in 'Champagne PDO' was not recognised.

However, the complainant had succeeded in having "champagne-related" domain names champagne.ie, champagnes.fr, champagnes.be[41] transferred to it. ADR procedures applicable to domain names registered under .ie, .fr, and .be are different from the UDRP and grant protection to a wider variety of names. In these cases, the complainant was successful as it established that it had rights in the term CHAMPAGNE protected under respectively Irish, French, and Belgian law.

*7.3.2. 7.3.2. Dispute case **rioja.com***

In the **rioja.com** case from 2018, the complaint was made by the Regulatory Board of the Rioja Qualified Designation of Origin (D.O.CA) of Logroño, which is an official body, created in 1991 to perform various functions including the promotion and defence of the Rioja Qualified Designation of Origin. The Complainant was at the same time an owner of various registered trade marks and the Panel found that it has established the first element of the Policy on the basis of its registered trade mark rights. The Panel stated: "*The disputed domain name is confusingly similar to the Complainant's (figurative) trade marks identified in section 4 above, each of which includes the word "Rioja" as the only textual element. Section 1.10 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0") states that assessment of confusing similarity involves comparing the (alpha-numeric) domain name and the textual components of the relevant mark, and that design or figurative/stylised elements which are incapable of representation in domain names are largely disregarded*."

[40] WIPO case No. DSCO2011-0026 (2011)

[41] https://www.wipo.int/amc/en/domains/decisions/html/2005/dfr2005-0006.html

Two of the four trade marks cited are registered in the WIPO international register:

	
Application number 470948 Trade mark type: Figurative Kind of mark: Collective	Application number 655291 Trade mark type: Figurative Kind of mark: Individual

GIs in trade marks cited in the Rioja case that were recognised by the panel as conferring locus to challenge a domain name registration

The complaint was still denied, because the panel found the complainant failed to establish the necessary "bad faith" behaviour.[42]

In two cases concerning the PDO Gorgonzola, *gorgonzola.blue* and *gorgonzola.city*, the following figurative, individual trade mark of the Consorzio (EUIPO application number 010595015) was held to satisfy the 'trade mark requirement'. In *.blue* the arbitration panel held:

> *"The Complainant has established that it has registered trademark rights in a figurative trademark comprising a logo and the name GORGONZOLA. In the view of the Panel, the name GORGONZOLA is the predominant recognizable part of that trademark."* (.blue)

gorgonzola.blue: Consorzio Formaggio Gorgonzola v. Whois Privacy, Private by Design, LLC / Gerald Baton, WIPO Case No. D2021-0722

gorgonzola.city: Consorzio per la Tutela del Formaggio Gorgonzola v. Rob Monster / DigitalTown, Inc. WIPO Case No. D2017-0253

7.4. 7.4. In law

There are two main problems in efforts to apply the existing international legal framework to prevent the bad faith misuse of GIs in the DNS:

(1) The existing international legal framework to prevent the bad faith misuse of GIs was developed for and applies to trade in goods. Both, the Paris Convention and the TRIPS Agreement deal with misuse of

[42] https://www.wipo.int/amc/en/domains/search/text.jsp?case=D2018-0168

geographical identifiers in relation to goods. Thus, there is no easy fit between these rules and parasitic practices of GIs misuse in the DNS. The mere registration of a GI as a domain name by someone with no connection to the GI in question, does not appear to, on its own, a violation of existing international legal rules with respect to false indications of source and GIs[43]. Such a registration may violate existing standards if it is associated with conduct relating to goods. Thus, for example a registration of the domain name www.champagne.com must be prevented pursuant to Article 23(1) of the TRIPS if the website operated under that name purported to sell or offer for sale sparkling wines not originating in Champagne, France or to sell other sparkling wines.[44]

(2) Secondly, there is a major problem in respect of applicable law because of the different systems that are used, at the national level, to protect GIs.

7.5. 7.5. .vin .wine

In June 2012, new gTLDs .wine and .vin became available for registration with ICANN. Organizations, committees and governments were indicating concerns that the future registry operator may not respect GIs and intensive disucssions ensued between those concerned for GI abuses and those arguing for the normal procedure of ICANN – 'first come, first served'. The issue was subsequently raised by GAC on several occasions and numerous interested parties sent correspondence to ICANN highlighting that lack of additional safeguards would seriously undermine consumer protections against fraudulent misuse of GIs, as well as the protection granted to GIs by the TRIPS and Lisbon Agreements and the EU regulations[45]. The ICANN New gTLD Programme Committee (NGPC) reviewed and considered the matter and subsequently issued a series of four resolutions including extension of the deadline of 60 days for the decision relating to the applications, encouraging parties to negotiate during this period. During a two months Sunrise Period more than 1300 trade mark owners registered the domain names under the top level .wine and .vin. Since 20 January 2016 anyone is able to register these gTLDs. Websites such as champagne.vin, prosecco.wine focusing on sales, marketing and knowledge relating to wine were set up.

7.6. 7.6. .bio

A good step towards increasing the protection of GIs was taken by the registry operator of .bio, who decided in the .bio Domain Name Policy that

[43] WIPO, The Recognition of Rights and the Use of Names in the Internet Domain Name System, Report of the Second WIPO Internet Domain Name Process, access: [https://www.wipo.int/amc/en/processes/process2/report/html/report.html#6]

[44] Idem, paragraph 240

[45] S. Gerien, Ch. Passarelli, Challenges for GIs (GIs) in the context of the ICANN new generic Top-Level Domains (gTLDs), oriGIn 2016, p. 38

wine designations of origin and GIs protected in the EU are reserved from registration and such names are withheld or allocated by Registry Operator to the applicable origin and geographical indication authority.[46] Such an approach, while limited in scope (it concerns only wine GIs from the EU and does not cover similar names that might evocate the GIs), should be encouraged. But it remains voluntary from gTLDs registry operators and raises doubts as to its practical implementation.

8. 8. PROTECTING GIS IN THE DNS OUTSIDE THE UNION / MEMBER STATE SPHERE

8.1. 8.1. DNS: the de facto refusal to recognise IPR in GIs under sui generis systems

As we have seen, the enforcement of GIs in the DNS is facing a number of hurdles either de jure or de facto. While legislation can be used regulate and harmonise the situation within the EU, substantial obstacles will remain in respect of the 'global' TLDs (like .co) and the TLDs managed by non-EU countries.

The refusal of ICANN to recognise GIs as a prior IPR title is unconscionable, the more so because its position was based on work conducted in a UN organisation, the WIPO. In normal circumstances the exclusivity of Union law in relation to GIs (agricultural product, wines and spirits) should have led to a unified and solid position. However, as we have also seen, the Union institutions (notably Commission and Council) have only an advisory and coordination capacity in relation to internet management, and even then, the public authorities are no more than one representative group among many, orbiting in the ICANN system, seeking influence not exercising sovereign authority.

If we compare the development of IPR in the international legal order where sovereign governments are the responsible operators, such as the Paris Convention in 1883 or the TRIPS agreement in 1995, we see consensus, give-and-take and accommodation: not all parties may welcome this or that provision or even a form of IPR, but the rules are agreed, in place, and respected by the global community.

However, in the current circumstances under which the internet is governed in a way open to manipulation, we should not be surprised that well-resourced and ICANN-savvy operators are able to ride a coach-and-horses through both norms of national sovereignty and respect for fundamental rights to property.

The practical result is that bad faith behaviour – registering a domain name with *mala fide* intent to either use the site for commercial purposes that undermine the rights of the GI holder, or to ransom the domain back to the genuine right holder – is given a free pass. We recall that the basic purpose of IPR is the repression of unfair competition and, in essence, to suppress bad faith behaviour.

[46] .BIO Domain Name Policy, available online: [https://domains.bio/bio_policy]

8.2. 8.2. GIs protected as trade marks

The ICANN-UDRP refusal to recognise GIs is not based on the substance of whether a term is or is not a GI, but the mechanism of its protection. Thus GIs that are protected as trade marks, are recognisable as prior rights in the UDRP while those protected under a sui generis non-trade mark scheme are not.

The protection of GIs under trade mark systems is not uncommon the world over. Trade mark-based systems have been notified to the WTO as meeting Members' obligations under the TRIPS agreement to provide the legal means to protect GIs. Within the Union, the protection of aspects of GIs as EU trade marks is also common, notably to protect the logo of a GI producer group as a figurative mark (the Rioja and Gorgonzola cases mentioned above turned in part on trademarked logos). Trade marks of all types (word and figurative, simple and collective and certification) can be employed depending on the status of the applicant (single entity or group) and applicable trade mark rules. In all cases, the use of the protected sign must correspond to the essential function of a trade mark in its trade mark application – aside from it meeting the essential function of a GI in its GI application.

Registering a trade mark that consists of or contains a GI could thus serve the purpose in relation to domain name issues. Furthermore, in case there are multiple producer groups available for a particular GI, registering different figurative logos or compound trade marks would be possible – giving each group locus to oppose a domain-name registration.

GORGONZOLA Application number 016315202 Trade mark type: Figurative Kind of mark: Individual Owner: Consorzio per la Tutela del Formaggio Gorgonzola	ROQUEFORT GARANTI D'ORIGINE ET DE QUALITÉ Application number 86089661 Trade mark type: Combined Kind of mark: Collective Owner: Confédération Générale des Producteurs de Lait de Brebis et des Industriels de Roquefort

GIs in trade marks protected by producer groups – as individual and collective marks. The Roquefort mark is protected in the US.

However, registering a GI word or a compound sign including a term protected as a GI as a trade mark confronts some legal obstacles. The EU trade mark regulation excludes geographical-referenced terms as being eligible for certification mark protection, while the ECJ in the recent 'Halloumi' ruling has cast doubt on many GIs meeting the general criterion of distinctiveness in the sense of distinguishing a company's (or group's) business. That judgment was before the registration of 'Halloumi' as a PDO and thus before the class of eligible producers was defined and limited.

Trade marks can be registered under national systems both in EU MS and in non-EU countries and several allow certification and collective marks to identify geographical origin of goods.

In all other respects is it unlikely, but not excluded, that a right holder would use a trade mark in preference to a GI in legal actions, and defence, but until the internet governance catches up with the concept of fundamental rights to IPR, the exercise of the trade mark option would solve the problem.

A individual, collective or certification trade mark is not appropriate for all GI producer groups:

– first, the producer group must be in a legal form to be able to file the mark and recognised to have this capacity. Increasing the capacity of GI producer groups is being addressed in the 'empowerment' section of this Impact Assessment;

– second the producer group will need the means to file, monitor and defend their trade mark;

so, in brief, this is an option that will appeal mostly to the medium and large GI producer groups, which will also be those with international reach and highest concern for global internet misuses.

In addition, and particularly as registration of trade marks by producer groups may face too many obstacles, provision could be made in the GI regulation itself that the **unauthorised use of a GI in relation to domain names is an infringing act**. Though this would not prevent the registration of a domain name, it would in essence have the result of shutting down any subsequent use of such a domain name, at least in relation to the EU. It would also ease court proceedings by a producer group if GI infringement actions are filed in relation to a domain name. This prohibition of use could be envisaged as part of the 'prohibited situations' contained in the protection levels articles in respective provisions on the protection of GIs. An inspiration can be found in the existing Article 9 of EUTMR which sets out the scope of the exclusive right, i.e. the 'rights conferred' to the right holder of an IPR, in this case a trade mark, but a similar solution could be applicable to a GI.

8.3. 8.3. Domain name systems in non-EU countries

While a trade mark registered in the EU provides the locus to challenge a bad faith domain registration in the 'global' internet TLDs (.co, .biz, etc.), GI right holders may continue to face difficulties in non-EU countries ccTLDs.

The issue of protection in the DNS should be part of the cooperation objectives with non-EU countries and part of the negotiation mandates. In general where the EU has concluded an FTA the protection should extend to the parties management of their ccTLDs.

8.4. 8.4. Global governance: medium term solution

In the medium term, the UPRD must be opened to the recognition of GIs – whether protected under trade marks or under a sui generis system – as prior rights. Exploratory work is going on in the WIPO standing committee for trademarks, designs and GIs. However, progress both in WIPO and ICANN can be blocked on the basis there 'is no consensus' which de facto closes the issue.

9. 9. DISCREPANCIES BETWEEN THE RULES AND POLICIES FOR CCTLDS

While the .eu TLD recognizes GIs as protected rights under its ADR, practices of Member States in their country-code top Top Level Domains significantly differ and thus it means that protection of GIs in the ccTLD across the EU is not unified. Annex I of this report provides an overview of ADR rules applicable to the Member State ccTLDs

While some ccTLDs also utilise the UDRP, others have opted to either adopt a modified version of the UDRP to accommodate differences in the country's legal code or to create a bespoke ADR that may function differently to the UDRP. The resulting varying rules and policies require specialised knowledge without which there may be confusion amongst intellectual property right holders as to some of the unique aspects of such ADR.

In addition, there are also Member States that have no dispute resolution policy in place. This is the case of Austria, Germany, Lithuania, Latvia and Malta. Legal conflicts are normally decided by the ordinary courts of law.

UDRP is applied by Cyprus, Poland and Romania and thus these three countries do not recognize GIs as prior rights in DNS disputes. The rest of the countries apply ADRs that, with the exception of Denmark (.dk), are substantially similar to UDRP.

However, out of those MS who apply any form of ADR, only seven of them include GIs as a prior right to be protected – Czechia, Slovakia, Belgium, Slovenia, Ireland, Bulgaria and Spain.

Domain names are currently assigned on a first-come/first-served basis and domain name disputes occur mainly because the domain registration process does not examine possible conflicts with the rights of third parties and the persons or entities concerned are unable to prevent the registration of the domain. However, in some ccTLD, ADR rules define restrictions on registration of certain geographical names, like names of countries, cities, municipal authorities, metropolitan area authorities, names of international institutions, etc. It means that the registry does not accept such domain names for registration because they are reserved for corresponding local government organizations or other responsible authorities. However, a geographical indication is not necessarily a geographical term and the registrars in one Member State will not be aware of all the geographical terms across other Member States. In addition, the blanket proteciton for geographical place-names gives better protection than that afforded ot GIs, even though the place-names are not IPR. Thus, already existing GIs should be on the list of reserved names and the registration should be allowed only to authorised producer groups.

A notification system for rights in GIs working in a manner similar to the Trade mark Claims service developed through ICANN's new gTLD program should be extended not only to .euTLD but also to the Member States' .ccTLDs. This service puts would-be domain name applicants on notice of existing rights and offers them the choice of either terminating or continuing with a domain name application. Owners of trade marks are notified of completed registrations, which puts them in a better position.

However due to typosquatting[47], dotsquatting[48], etc. even this system cannot ensure absolute protection and the effective ADR system needs to be in place. Under the UDRP and most ADRs the complainant must prove that the domain name of the holder is identical with or confusingly similar to a name under the dispute. This condition is however missing in ADR of France and Ireland. The main objective of typosquatting or dotsquatting is to evoke the product with PDO or PGI, even though the name of the registered domain is slightly different. Therefore, in the absence of the condition of proving confusing similarity, protection of PDOs/PGIs is much weaker because cybersquatting, typosquatting and dotsquatting are much easier.

Majority of ADRs which are modelled according to UDRP require that the Complainant must prove another two conditions – that (1) the domain-name holder has no rights or legitimate interests in respect of the domain name(s) that is/are the subject of the complaint and that (2) the domain-name has been registered and/or being used in bad faith. But while the UDRP requires that both conditions must be fulfilled at the same time, ADR rules of Member States differ considerably. Some Member States require the fulfillment of both conditions, while others require only one of them.

The second condition according to which the complainant must prove that domain-name holder has no rights or legitimate interests in respect of the domain name(s) that is/are the subject of the complaint might be difficult to prove because many ADRs applicable to ccTLDs grant protection only to trade marks or service marks but not to GIs (as discussed above).

The third condition of the UDRP is also challenging. While ADRs of some of Member States have the same requirement as the UDRP – that the domain-name under dispute must be *registered* **and** at the same time be *used* in bad faith (Slovakia, Italy, Cyprus, Lithuania, Portugal), in other Member States it is sufficient to prove that either *registration* **or** *use* of disputed domain-name by the registrant is in bad faith (Czechia, Belgium, Slovenia, Greece, Ireland, The Netherlands, Hungary, Estonia, Spain, Croatia, Sweden and EU).

Proving both bad faith registration and use is often problematic and difficult. In case that the domain-name was registered but it is not used by the Registrant, proving of the bad faith use is not easy. However passive use or non-use of a domain name

[47] Typosquatting is defined by the US Court as 'the intentional registration of domain names that are misspellings of distinctive of famous names, causing an Internet user who makes a slight spelling or typing error to reach an unintended site.'

[48] Dotsquatting is a registration of a domain name without point after completion of www (e.g.: wwwgoogle.com instead of www.google.com)

itself might imply the purpose of cybersquatting. However non-use of a registered domain, thus blocking it for other (legitimate) users cold become evidence of bad faith, while offering it for sale at an inflated price is clearly evidence of bad faith. The requirement to show bad-faith use means that a protential challenger should not come 'too early' – before the domain-holder's bad faith intentions are manifest.

Another difference across cc.TLD is the existence of a **mediation stage**. Only TLDs of Ireland (.ie), the Netherlands (.nl) and Portugal (.pt) allow for a mediation stage, which provides the opportunity to resolve a dispute before the panel stage, if both parties (the complainant and the domain-holder) agree. The mediation stage accounts for a reasonable portion of resolved disputes before a case formally commences, e.g. in one case (.uk for which mediation was provided when a MS) disputes, nearly 13% of total complaints in 2019 were resolved in this way.[49] Cases resolved by mediation remain confidential and the service is normally provided free of charge.

10. 10. CONCLUSIONS AND POLICY RECOMMENDATIONS

The report analysed the main challenges that GIs face in the DNS. This section complements the analysis by presenting policy options and remedies that might be applied in tackling abusive and speculative domain name registrations.

10.1. 10.1. GIs allocated as TLDs

ICANN issues top level domains directly in accordance with the gTLD Applicant Guidebook (2012)[50]. While the rights of trade mark holders are specifically upheld and procedures are in place to prevent bad faith uses of the trade marks as TLDs, there is no mention of GIs nor reference to the respect for 'local law' enshrined in ICANN's articles of incorporation that would otherwise offer some protection for GIs against bad faith TLDs.

There are procedures for managing applications for geographical names, notably capital cities, but also other cities, regions and other geographical names. Essentially, the views of public authorities have to be taken into account, but there is no concrete right for the public nature of a geographcial name to be protected.

Action that can be taken to defend GIs:

- GI holders (especially those with global reach) should apply for TLDs whenever possible;
- GI holders could register trade marks (e.g. figurative logo marks containing the GI as a clear and prominent feature) with a national IPO or the EUIPO however possible;

[49] https://media.nominet.uk/wp-content/uploads/2020/06/Nominet-2019-in-.UK-Domain-Dispute-Resolution.pdf

[50] https://newgtlds.icann.org/en/applicants/agb

- EU and MS and internet stakeholders to coordinate action in ICANN to ensure that GIs protected as GIs have comparable protection to GIs (and other terms) protected as trade marks;

- EU and MS encourage GI right holders to have a legal form where they have capacity to register GIs within trade marks.

10.2. 10.2. GIs (SLDs) in the UDRP

Despite years of discussions, the UDRP is still limited to trade marks and service marks; GIs are not a valid legal title to claim protection. Excluding GIs from the UDRP does not serve the interest of legal certainty in the DNS. GIs should be recognized as valid IPR. However, the EU is not represented in the relevant governmental body advising ICANN and the MS were not fully coordinated (not a Union policy). DG CNECT established a regular High-level group on internet governance serves as a platform for policy development and identification of common positions in internet governance issues, thus this group provides a space to develop a strategy of overturning the 'trade mark only' rule in the UDRP and therefore should not be under-estimated. This is especially important in the light of forthcoming attribution of new gTLDs by ICANN.

In the interim, GI producer groups should be empowered and facilitated to register trade marks. In addition, the GI protection level should be carefully construed to make unauthorised use of a GI in relation to domain names an infringing act in the EU.

10.3. 10.3. GIs (SLDs) in .eu

- The new Regulation (EU) 2019/517 does not contain a definition of 'intellectual property rights' and does not mention GIs explicitly in any of its provisions. Therefore, it is important that in terms of the .eu REFIT, the Commission should include expressly GIs as prior rights while setting out the principles to be included in the contract between the Commission and the Registry by means of implementing acts.

- The new Regulation foresees that the Commission shall designate and enter into a contract with the new .eu Registry. The contract shall include among others ADR policy. Under the current ADR rules, the complainant must demonstrate at least two elements, while the UDRP requires three cumulative elements. This .eu ADR approach can however be perceived as the better one, since proving second condition (no rights or legitimate interest) can be difficult in case of GIs.

- Regulation (EU) 2019/517 establishes that the European Commission should promote the cooperation between the .eu Registry, the European Intellectual Property Office (EUIPO) and other Union agencies, with a view of combatting speculative and abusive registrations of domain names. In this context, it would be advisable to extend to the GIs applicants/right-holders a service currently available to EU trade mark holders to receive an alert as soon as a .eu second level registrations identical to PDO, PGI and GIs recognized in the EU (applied for) is registered. Furthermore, the .eu Registry could also establish further

collaboration with relevant entities and agencies, including to carry out checks in their IPR databases and, in case of identity (or similarity) with.eu domain names, notify the GI (and other IPR) holders.

- Including a mediation phase and an appeal mechanisms within the .eu ADR procedure, as already done by some .ccTLD ADR.

- Providing for expedited procedures such as the suspension of domain names by the Registry in clear typosquatting cases.

10.4. 10.4. GIs (SLDs) in the EU .cc TLDs

- As can be seen from analysis in this annex, relatively few MS recognise GIs as prior rights under ADR of their ccTLD policies. All MS should extend the scope of their ADRs and include GIs as the rights to be protected. The first condition of ADR should explicitly mention that the registrant's domain name is identical or confusingly similar to not only a trade mark or service mark in which the complainant has rights, but also to GIs, or ADR rules should include a paragraph defining which IPRs are covered. Currently it is the case of only a few MS (e.g. Czechia, Belgium, etc.).

- In some ccTLD, ADR rules define restrictions on registration of certain geographical names, like names of countries, cities, municipal authorities, metropolitan area authorities, etc. It means that the registry does not accept such domain names for registration because they are reserved for corresponding local government organizations or other responsible authorities. This could be extended to GIs. Thus, already existing GIs should be on the list of reserved names and the registration should be allowed only to authorised producer groups or other authorized user of GIs.

- A notification system for rights in GIs working in a manner similar to the Trademark Claims Service developed through ICANN’s new gTLD program should be extended not only to .eu TLD but also to .ccTLDs.

- While UDRP and some ADRs modelled according to UDRP require proof of bad faith registration and bad faith use, some ADRs require only one them. In case that the domain-name was registered but it is not used by the Registrant, proving of the bad faith use is not possible at least initially. Non-use of a domain name over a period of time might imply cybersquatting. Therefore, the rules need to be reviewed and unified. **Proof of bad faith should be sufficient either in registration or use of the disputed domain name.**

- ADR rules of cc.TLD could also include a mediation stage.

+ + + end + + +

ANNEX I: OVERVIEW OF ADRS IN EU MEMBER STATES AND FOR .EU

cc	National legislation on GIs	Authority responsible for .cc TLD	The notion of "geographical indication" is defined in Rules for .ccTLD	Restriction on registration of names (prohibited registrations)	Mediation	Dispute Resolution Policy		Conditions of ADR/UDRP that must be proved:		Appeal against final decision	Remedy: Transfer (T) Cancelation (C) New registration (R) Suspension (S)
						UDRP	ADR Policy	- DN identical or similar (1) - DN without right (2) - DN registered (3a) or used (3b) in bad faith (3)	Other conditions:		
.CZ	✓	CZ.NIC association	protected designation, designation of origin, geographical indication	X	X	X	✓	1 2 or 3 (3a **or** 3b)	X	No appeal possible	T, C
.SK	✓	SK.NIC private company	protected designation, designation of origin, geographical indication	international trademarks with Slovak Republic label, EU trademarks, territory in relation to Slovak Republic	X	X	✓	1, 2, 3 (3a **and** 3b)	X	No appeal possible	T, C
.BE	X	DNS Belgium non-profit organization	geographical designation	name of countries, names of international institutions	X	X	✓	1, 2, 3 (3a **or** 3b)	X	15 days	T, C
.SI	X	ARNES public institution	registered geographic designation	X	X	X	✓	1, 2, 3 (3a **or** 3b)	X	No appeal possible	T, C

.GR	X	FORTH-ICS, research institute	X	the geographic term of Greece (city, village, etc.)	X	X	✓	1, 2 or 3 (3a **or** 3b)	X	N.A.	T, C
.IE	X	IEDR private company	GIs	X	✓	X	✓	2, 3 (3a **or** 3b)	the Complainant would ordinarily be eligible to register the DN if it was not already registered	20 days	T, C
.AT	X	NIC.AT private company	X	X	X	X	X	X	X	X	X
.DE	✓	DENIC, non-profit cooperative	X	X	X	X	X	X	X	X	X
.FR	✓	AFNIC non-profit association	X	names of the metropolitan area authority, community of municipal authorities, regional council, the municipality	X	X	✓	2, 3 (acting in bad faith)	Infringement of intellectual property rights or personal rights	15 days	T, C
.IT	✓	Registro.it National Research Council	X	geographical locations, including Italy, regions,	X	X	✓	1,2,3 (3a **and** 3b)	X	No appeal possible	T

				provinces and municipalities							
.NL	X	SIDN National foundation	X	X	✓	X	✓	1,2,3 (3a **or** 3b)	X	No appeal possible	T, C
.HU	✓	NIC.hu Non-profit organization	X	X	X	X	✓	1 2 or 3 (3a **or** 3b)	X	No appeal possible	T, C
.BG	✓	Register.BG Ltd. Private company	geographic designation	the names of municipalities and districts	X	X	✓	1,2	X	15 days	T, C
.CY	X	Nic.cy University of Cyprus	X	geographical names	X	✓	X	1,2,3 (3a **and** 3b)	X	No appeal possible	T, C
.DK	X	DK Hostmaster non-profit organization	X	X	X	X	✓	X	Act on Domain Names, Danish law in general	No appeal possible	T, C
.EE	✓	Eesti Interneti Sihtasutus, foundation	X	place names in the list of Territory of Estonia	X	X	✓	1 2 or 3 (3a **or** 3b)	X	No appeal possible	T, C
.ES	✓	Red.es Public corporate entity	designations or indications of origin	names of state institutions, royal family, international institutions, regional public	X	X	✓	1,2,3 (3a **or** 3b)	X	30 days	T, C

				administrations							
.FI	X	TRAFICOM agency	X	X	X	X	✓	1 2 or 3 (**only** 3a)	X	30 days	T, C
.HR	✓	CARNET Academic and research agency	X	X	X	X	✓	1, 2, 3 (3a **or** 3b)	X	No appeal possible	C, R
.LT	X	DOMREG.lt Internet Service Centre	X	the name of state Lithuania	X	X	✓	1 2 or 3 (3a **and** 3b)	X	No appeal possible	T, C
.LU	X	RESTENA Foundation	X	X	X	X	X	X	X	X	X
.LV	✓	NIC.lv Institute at university	X	X	X	X	X	X	X	X	X
.MT	X	NIC Malta Internet foundation	X	X	X	X	X	X	X	X	X
.PL	X	NASK National Research Institute	X	X	X	✓	X	1,2,3 (3a **and** 3b)	X	No appeal possible	T, C
.PT	✓	DNS.PT non-profit Association	X	geographical names, prestigious trademarks	✓	X	✓	1,2,3 (3a **and** 3b)	X	No appeal possible	T, C
.RO	✓	ICI-Bucharest Research	X	X	X	✓	X	1,2,3 (3a **and** 3b)	X	No appeal possible	T, C

		institute									
.SE	X	The Swedish National Foundation, private foundation	X	X	X	X	✓	1,2,3 (3a **or** 3b)	X	14 days	T, C
.EU	✓	EURid, non-profit organization	GIs	recognized geographical or geopolitical terms which affect the Member States' political or territorial organisation	X	X	✓	1 2 or 3 (3a **or** 3b)	X	No appeal possible	T, C

Annex 6: Legislative framework

11. 1. EU LEGISLATION

Agricultural products and foodstuffs: 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 (OJ L 343, 14.12.2012, p. 1)

Fisheries and aquaculture products and included in the scope of Regulation (EU) No 1151/2012

Wines: Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 (OJ L 347, 20.12.2013, p. 671)

Spirit drinks: Regulation (EU) 2019/787 of the European Parliament and of the Council of 17 April 2019 on the definition, description, presentation and labelling of spirit drinks, the use of the names of spirit drinks in the presentation and labelling of other foodstuffs, the protection of geographical indications for spirit drinks, the use of ethyl alcohol and distillates of agricultural origin in alcoholic beverages, and repealing Regulation (EC) No 110/2008 (OJ L 130, 17.5.2019, p. 1)

Aromatised wine products: Regulation (EU) No 251/2014 of the European Parliament and of the Council of 26 February 2014 on the definition, description, presentation, labelling and the protection of geographical indications of aromatised wine products, and repealing Council Regulation (EEC) No 1601/91 (OJ L 84, 20.3.2014, p. 14).

12. 2. AGREEMENT ON TRADE-RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS (TRIPS AGREEMENT)

The TRIPS Agreement is Annex 1C of the Marrakesh Agreement Establishing the World Trade Organization, signed in Marrakesh, Morocco on 15 April 1994.

PART II Standards Concerning the Availability, Scope and Use of Intellectual Property Rights

Section 3: Geographical Indications

Article 22

Protection of Geographical Indications

1. Geographical indications are, for the purposes of this Agreement, indications which identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin.

2. In respect of geographical indications, Members shall provide the legal means for interested parties to prevent:

(a) the use of any means in the designation or presentation of a good that indicates or suggests that the good in question originates in a geographical area other than the true place of origin in a manner which misleads the public as to the geographical origin of the good;

(b) any use which constitutes an act of unfair competition within the meaning of Article 10bis of the Paris Convention (1967).

3. A Member shall, ex officio if its legislation so permits or at the request of an interested party, refuse or invalidate the registration of a trademark which contains or consists of a geographical indication with respect to goods not originating in the territory indicated, if use of the indication in the trademark for such goods in that Member is of such a nature as to mislead the public as to the true place of origin.

4. The protection under paragraphs 1, 2 and 3 shall be applicable against a geographical indication which, although literally true as to the territory, region or locality in which the goods originate, falsely represents to the public that the goods originate in another territory.

Article 23

Additional Protection for Geographical Indications for Wines and Spirits

1. Each Member shall provide the legal means for interested parties to prevent use of a geographical indication identifying wines for wines not originating in the place indicated by the geographical indication in question or identifying spirits for spirits not originating in the place indicated by the geographical indication in question, even where the true origin of the goods is indicated or the geographical indication is used in translation or accompanied by expressions such as “kind”, “type”, “style”, “imitation” or the like. [(4)]

2. The registration of a trademark for wines which contains or consists of a geographical indication identifying wines or for spirits which contains or consists of a geographical indication identifying spirits shall be refused or invalidated, ex officio if a Member’s legislation so permits or at the request of an interested party, with respect to such wines or spirits not having this origin.

3. In the case of homonymous geographical indications for wines, protection shall be accorded to each indication, subject to the provisions of paragraph 4 of Article 22. Each Member shall determine the practical conditions under which the homonymous indications in question will be differentiated from each other, taking into account the need to ensure equitable treatment of the producers concerned and that consumers are not misled.

4. In order to facilitate the protection of geographical indications for wines, negotiations shall be undertaken in the Council for TRIPS concerning the establishment of a

multilateral system of notification and registration of geographical indications for wines eligible for protection in those Members participating in the system.

13. 3. CHARTER OF FUNDAMENTAL RIGHTS OF THE EUROPEAN UNION - 2012

https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:12012P/TXT&from=EN

Article 17 - Right to property

1. Everyone has the right to own, use, dispose of and bequeath his or her lawfully acquired possessions. No one may be deprived of his or her possessions, except in the public interest and in the cases and under the conditions provided for by law, subject to fair compensation being paid in good time for their loss. The use of property may be regulated by law in so far as is necessary for the general interest.

2. Intellectual property shall be protected.

Article 41 - Right to good administration

1. Every person has the right to have his or her affairs handled impartially, fairly and within a reasonable time by the institutions, bodies, offices and agencies of the Union.

2. This right includes:

(a) the right of every person to be heard, before any individual measure which would affect him or her adversely is taken;

(b) the right of every person to have access to his or her file, while respecting the legitimate interests of confidentiality and of professional and business secrecy;

(c) the obligation of the administration to give reasons for its decisions.

3. Every person has the right to have the Union make good any damage caused by its institutions or by its servants in the performance of their duties, in accordance with the general principles common to the laws of the Member States.

4. Every person may write to the institutions of the Union in one of the languages of the Treaties and must have an answer in the same language.

Annex 7: GIs and sustainability

ECONOMIC SUSTAINABILITY

- **Value added of geographical indications**

  Agri-food and drink products designated by names registered and protected by the EU as GIs represent a sales value of EUR 75 billion (2017 data[51]). Over one fifth of this revenue accrues from exports outside the EU. The value premium of products bearing a GI is on average double that for similar products without a GI certification: +285% for wines, +252% for spirit drinks and +150% for agricultural products and foodstuffs.

  This economic performance had been noted in an in-depth study[52] from 2013 of different types of GI-designated products, which showed that the GI products achieved a price premium over the corresponding standard product. It also showed that the producers – mostly – received a higher gross margin than for standard products.

[51] Study on economic value of EU quality schemes, geographical indications (GIs) and traditional specialties guaranteed (TSGs), 2020; https://op.europa.eu/en/publication-detail/-/publication/a7281794-7ebe-11ea-aea8-01aa75ed71a1/language-en

[52] https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/cmef/products-and-markets/assessing-added-value-pdo-pgi-products_en

Higher margins

The main factors for obtaining a higher gross margin in GI production were found to be intrinsic product differentiation (i.e. presence of significant differences in the intrinsic features – quality parameters, organoleptic characters, etc. – of a GI product compared to the corresponding standard product). Other factors included:

- recourse to shorter, more direct marketing channels (i.e. absence of intermediaries);
- sale of packaged and bottled products vs. sales in bulk (for GI wines and oils);
- strong orientation towards exports, generating higher margins for the GI supply chain;
- protection of intellectual property rights;
- improved visibility for distinctive product and market recognition;
- access to new markets;
- better access to promotion funds, investment aid and support under rural development;
- positive impacts that the GI had on the concerned area as a whole;
- GI as a key factor to anchor production (farming and/or processing) within the GI area;
- important role of GIs in strengthening the organisation and resilience of the supply chain,
- and finally closer focus on quality (through the elaboration of a specification).

Some examples of value added of geographical indications:

"Piment d'Espelette" PGI (France) is more economically sustainable because the producers control the value-adding operations wholly within the geographical area. Grading, packing and consumer presentation in the area have proved positive for economic sustainability These are among the reasons why *Piment d'Espelette* is recognised as a success economically.[53]

[53] "Piment d'Espelette" Single Document, *OJ C 57, 27.2.2013, p. 11*

"Fagiolo di Sorana" PGI (Italy – Tuscany) demonstrates the commercial survival of production know-how and use of the traditional ecotype of this bean. Protecting the GI has catalysed the community to revitalise and maintain production and thereby underpin local rural development. Publicity makes use of famous chefs paying higher prices for this product. GI registration has been an essential tool in securing economic value for local producers.[54]

"Waterford Blaa" PGI (Ireland): after GI registration, this bread found new markets in Asia. The producers stated benefits related to the GI as follows: legal protection on counterfeit products in Europe; EU logo can be used on marketing and promotional material; increasing consumer assurance on quality and origin of products; deepening of 'brand personality' and heritage, increasing point of difference; prestige of designation; premium price positioning. Association with the region also creates a 'patriotic pull' among local consumers.[55]

"*Jabłka Grójeckie*" PDO (Poland): Grójec region is a major orchard-zone of the EU. The area of Grojec provides approx. 40% of the national production of apples, and the intensity of the crop in some municipalities reaches up to 70%. The producer group has contributed to the increase of brand recognition/awareness. Grójeckie apples are systematically promoted at industry events. The Sady Grójeckie Association received funding for a promotional campaign from the EU of EUR 2.9 million.[56]

- **Empowering producer groups**

  EU Regulation on common market organisation includes competition law exemptions for producer groups producing GI cheese and ham. The aim is to create inclusive and fair value chain notably for products, which are subject to maturation

[54] Source: Italian Ministry of Agriculture
[55] Waterford Blaa PGI case study. Muiris Kennedy, marketing consultant.
[56] http://jablkagrojeckie.pl/ and http://www.agroindustry.pl/index.php/2019/03/04/maciej-majewski-prezes-stowarzyszenia-sady-grojeckie-rok-2018-byl-nielatwy-dla-producentow/

and dependant on potentially volatile supply of raw material and changing consumer demand over the years.[57]

Results from this trial showed good returns for farmers and use of production controls to maintain stable prices and prevent unfair contract terms from supermarkets. In any such scheme, the authorities need to be closely involved to ensure that all producers are treated fairly and any producer who wishes to opt out can do so. The GI is a public law right, available to all those in the designated area who commit to following the production rules.

- **Protecting sustainable traditions: sanitary rules**

EU legislation provides for derogations and exceptions for SMEs as regards the EU hygiene package and related sanitary rules. Many GI producers are SMEs and under specified circumstances, and Member States may provide for certain derogations and flexibilities.

Most products designated under GIs utilise and valorise traditional techniques. Such GIs in most cases result from experience gained over the decades and longer to find ways precisely to preserve foodstuffs hygienically given uncertainty of supply in certain communities of the past. Food preservation in most cases, without the cold chain, was based on salt, sugar, drying and smoking – useful preservation means to bind water and thus prevent bacterial proliferation causing spoilage and food poisoning. Traditional processing therefore encompasses food security and food safety ensuring sanitary protection while industrial plants often seek to balance quality, hygiene and cost. Furthermore, the production units of GIs tend to be small and the staff employed in GI production systems generally have higher motivation and are closer to the food production businesses than a large workforce at an industrial plant. However, negative impacts on public health could also result from high contents of e.g. sugars and salt, nutrients that are currently over consumed in many population groups in the EU with negative impacts for public health.

In this light, the EU has ensured that hygiene rules are fit for purpose when applied to small-scale GI production. Specific guidelines to apply flexibility are in place [58] [59] and Member States can use these options without imposing inappropriately

[57] Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products, recital 129: "*In view of the importance of protected designations of origin and protected geographical indications, notably for vulnerable rural regions, and in order to ensure the value added and to maintain the quality of, in particular, cheeses benefiting from protected designations of origin and protected geographical indications, and in view of the coming expiration of the milk quota system, Member States should be allowed to apply rules to regulate the entire supply of such cheese produced in the defined geographical area at the request of an interbranch organisation, a producer organisation or a group* […]".

[58] https://ec.europa.eu/food/sites/food/files/safety/docs/biosafety-hygiene-faq_all_business_en.pdf
[59] https://ec.europa.eu/food/sites/food/files/safety/docs/biosafety-hygiene-faq_all_public_en.pdf

prescriptive requirements, provided that the overall objective to ensure food safety is ensured.

Most relevant for farmers processing food is the possibility to continue to use traditional premises provided the traditional methods achieve an equivalent level of safety and hygiene. In other words, appropriate knowledge and management is given more importance than rigid compliance with infrastructural provisions.

Member States may thus adapt requirements laid down in the hygiene package to specific circumstances, often most relevant for SME, for example:

- To enable continued use of traditional methods of production (at any stage of production, processing or distribution of food);

- To accommodate the needs of food businesses situated in regions that are subject to special geographic constraints (e.g. adaptations in small slaughterhouses or SME in mountain regions or islands, important for the local supply of food);

- To adapt requirements on the construction, layout and equipment of establishments.

Member States must notify the Commission the measures on flexibility they want to apply.

SOCIAL SUSTAINABILITY

- **Maintaining and developing growth and jobs in the region**

Since GIs lock production to a defined geographical area, the policy contribution to certain aspects of social sustainability is territorial. GIs form part of the local culture and territorial identity, and they link the natural, human and cultural resources in a local area.

GIs cannot be de-localised and are thus the pillar of the region as regards maintaining and developing growth and jobs. They have spill-over effects on other businesses, for example food-processing industry, tourism, the Horeca[60] sector, cultural events. The regional economic development benefit of the scheme is likely to be the greatest in regions with few, if any, alternatives to the production of the GI. Typically, such regions are more remote and often suffer from a lack of economic development opportunities, like mountain areas.

[60] Horeca: short-hand for the 'hotel, restaurant, and catering' sector

Testimonies of producers of geographical indications include, for example:

"Pesca di Leonforte" PGI (Sicilia): a late-ripening peach from Sicily has boosted the rural economy. The producers are obliged under the product specification to take care of production, wrapping small protective bags around the fruit on the trees, as a physical defence against pathogens. In an area affected by high unemployment rates, the production of the traditional peach – which must be hand-tended and hand-picked – has had a positive impact on jobs.[61]

"Formai de Mut dell'Alta Valle Brembana" PDO (Italy): since the registration of this traditional cheese from Lombardy as PDO in the 1990s, the number of producers has more than doubled and production volumes have more than tripled. GI certification has anchored these economic benefits to the valley of Brembana, helping avoid depopulation from this deprived area. The local producers are now also engaged with GI-linked tourist visits, tastings, school-trips and local fairs.[62]

"Irish Whiskey" GI (Ireland/NI): Over the past decade, global sales of Irish whiskey have doubled and the number of Irish Whiskey distilleries has increased from 4 in 2010 to 31 at the start of 2020. These new distilleries have opened throughout the island of Ireland and contributed to the economic and social sustainability of their communities. Benefits identified include attracting tourists and rural or urban regeneration depending on the distillery's location.

- **Reinforcement of the cultural heritage**

  GI schemes reinforce the cultural heritage and value of the areas where their production takes place, thereby creating spill over effects into adjacent economic activities in the region. The marketing of the region through one GI product can bring publicity to the region and reinforce its identity, fostering agricultural tourism (gastronomy events, wine routes etc…), and so creating more job opportunities and increasing incomes through an indirect link with the original GI.

[61] Source: Italian Ministry of Agriculture
[62] Source: Italian Ministry of Agriculture – Regione Lombardia

The following examples illustrate GI credentials with regard to cultural heritage and tradition:

"*Fränkische Zwetschgenwasser*" GI (Germany): this fruit spirit has become part of the identity of Franconia and its people. The preservation of the traditional processing of *quetsches* also contributes to the preservation of small-scale farming in the region. The promotion of this cultural asset is utilised to attract tourists to Franconia.[63]

"Amêndoa Coberta de Moncorvo" PGI (Portugal): small-scale 'almond coating' industry produces an almond with a characteristic appearance has been maintained on a constant and uninterrupted basis over the centuries, with a strong link to Easter and other festivals thus keeping the local heritage alive.

"Balaton/Balatoni" (PDO) Hungary: in mediaeval Hungary, church estates and monasteries played an important role in the development of viticulture and viniculture; thanks to their vineyards, Balatoni wines were for a long time favoured sacramental wines used in masses both in Hungary and abroad. In recent time, the wine has been an integral part of the development of tourism on Lake Balaton.

- **Preservation and transfer of tradition, and know-how and skills**

  Many GIs keep alive traditional methods of production and traditional recipes and hence contribute to the preservation of the traditional knowledge and skills held by local communities. They reinforce products' reputation for new generations of consumers and through gastronomic tourism ensure a market reach beyond the local area

  .*Examples of geographical indications with strong credentials of tradition and know-how transfer:*

[63] Source: German Federal Ministry of Food and Agriculture

"Haricot de Castelnaudary" (PDO) France: it anchors the famous local dish, Cassoulet, to the region, giving a basis to local tourism as well as persevering an important culinary tradition.[64]

"Petit Épeautre de Haute Provence" (PGI) France: husking is an essential stage prior to any use in cooking or milling of this cereal; it is carried out in artisanal workshops and consists in the removal of the husk from the grain. Husking calls for genuine know-how which requires great dedication and special tools.[65]

"Gailtaler Almkäse" PDO, (Austria), dates back to the 4th century and is limited to the small area of the Gailtal inner-Alpine valley. It is an example of how the skills and knowledge transmission through generations ensure the product's survival and quality. The milk used must be produced in the Gailtal pastures and processed in the alpine pastures.[66]

'Paška sol' PDO (Croatia): distinctiveness of this salt comes also from human factors. The special techniques and know-how of the locals with regard to maintaining salt pools and obtaining brine has been passed on from generation to generation. The producers use their specialised know-how to determine the best moment for harvesting the 'flower of salt' without disturbing the balance on the surface of the saturated seawater by avoiding waves.[67]

[64] "Haricot de Castelnaudary" *Single Document,* OJ C 281, 26.8.2020, p. 2
[65] "Petit Épeautre de Haute Provence" *Single Document, OJ C 261, 14.10.2008, p. 11*
[66] "Gailtaler Almkäse" *Single Document, OJ C 62, 20.2.2015, p. 7*
[67] "Paška sol" *Single Document, OJ C 449, 13.12.2018, p. 17*

- **Contribution to a healthy, sustainable diet**

  As indicated in the Farm to Fork Strategy, the food industry and retail sector should show the way by increasing the availability and affordability of healthy, sustainable foods. In reversing the epidemic of obesity, balanced diets are a key factor. By joining forces to look into possibilities to find product alternatives in order to contribute to healthy and sustainable diets and aligned with national dietary advice, e.g. containing less sugars, salt and fat, GI producers can contribute to this process.

Examples of geographical indications with strong credentials of healthy, sustainable diets:

"Clémentine de Corse" (PGI) France: the fruit is harvested manually as soon as it has attained its optimum colour and ripeness on the tree. Once the fruit has been picked, it may not be treated chemically, and the use of colour enhancers is prohibited. At the packing stage the clementines are merely coated in natural wax. The maritime influence and neighbouring presence of mountains give the production area a special climate which help to produce a fruit with a specific colour and taste (more acidic, less sweet).[68]

"Carota dell'Altopiano del Fucino" (PGI) Italy: sspecial characteristics can be found in terms of nutrients: well-balanced ascorbic acid (5 mg/kg) and total sugar contents (saccharose > 3 %). These carrots contain high levels of thiamine, riboflavin and especially carotene (beta-carotene > 60 mg/kg). The fertility of the ground gives the plant a high content in vitamins and in protein (> 0,5 %).[69]

"Fasola Piękny Jaś z Doliny Dunajca'/'fasola z Doliny Dunajca" (PDO) Poland: The high magnesium (Mg) content of the soil in the area where the bean 'fasola Piękny Jaś z Doliny Dunajca'/'fasola z Doliny Dunajca' is cultivated increases the content of this element in the seeds and, where the seeds are harvested at the appropriate time, helps to give the product its characteristic sweet taste.[70]

[68] "Clémentine de Corse" Single Document, *OJ C 240, 30.9.2005, p. 32*
[69] "Carota dell'Altopiano del Fucino"Single Document, OJ C 272, 20.9.2013, p. 11
[70] "Fasola Piękny Jaś z Doliny Dunajca/'Fasola z Doliny Dunajca" Single Document, OJ C 314, 8.11.2010, p. 10

"Český modrý mák" (PGI) Czechia: this poppy seed has beneficial nutritional properties and contains a significant amount of dietetic ingredients. It has an especially high calcium content (600 times higher than wheat flour and nine times higher than walnut kernels), a high content of vitamin E, pantothenic acid, niacin and thiamine and a high mineral content (copper, zinc, magnesium, iron).[71]

[71] Český modrý mák Single Document, OJ 317, 25.9.2020, p. 31

ENVIRONMENTAL SUSTAINABILITY

GIs are, by definition and law, intrinsically linked to their place of production with its natural and environmental features. This puts environmental sustainability at the heart of the GI system. The endeavours of farmers and producers of food have formed Europe's semi-natural farmed landscapes over the decades and centuries. This forms a symbiotic relationship between local product and the natural environment that is displayed daily in the production of GIs. These GI designated products both depend on and secure the natural factors that give rise to their specificity.

Citizens becoming more aware about environmental sustainability and climate change issues have recently been the drivers of demands for changes across all agriculture. Producers are increasingly aware that introduction of environmental sustainability concerns/criteria in the product specification can also serve as an important marketing tool.

Examples of Conservation of resources (animal breeds, plant varieties):

"Jagnięcina podhalańska" PDO (Poland): Podhale Zackel is an old sheep breed adapted to the environment of the Polish Carpathian mountains. A program of conservation maintains biodiversity and promotes traditional products obtained from Podhale Zackel, including traditional products made from mountain sheep. [72]

"Cinta Senese" PDO (Italy): a pigmeat from the Cinta Senese breed; animals are raised in wild/semi-wild conditions and are the offspring of a boar and a sow that are both registered in the Cinta Senese breed Population Register and/or the Herd book.[73]

[72] http://www.geneticresources.eu/compendium/pdfs/PL_AnGR_SheepCarpathian.pdf
[73] "Cinta Sinese" Single Document, OJ C 393, 20.11.2019, p. 3

"Cognac" GI (France): The "Cognac" sector has strengthened its sustainability engagements with the inclusion of agri-environmental measures in its product specification. In terms of vineyard management: total chemical weeding of the vine plots is prohibited; on all inter-vine rows, the control of vegetation, sown or spontaneous, is ensured by mechanical or physical means. Chemical weeding of "tournières" is prohibited. The "Cognac" sector acts on many other sustainability segments, namely pursuing an environmental certification and developing a social responsibility framework.[74]

Examples of biodiversity in GI products specifications:

"*Maroilles"* PDO and *"Crème de Bresse*" PDO (France): the number of meters of natural hedges per hectare is imposed by the product specifications of these French GI cheese and cream.[75]

"Mâconnais" PDO (France): in the product specification for this cheese, as regards milk production, manure quantities are limited so that the natural flora of the meadows is maintained.[76]

"*Vigneti delle Dolomiti / Weinberg Dolomiten*" PGI wine (Italy): the combination of grape varieties within the production area allows for the interspecific hybrids other species of the genus *Vitis* which are naturally resistant to the main vine pathogens and thus do not require chemical treatments. They are grown close to sensitive areas, such as

[74] Source : spiritsEurope
[75] Les AOP laitières, une authenticité unique aux terroirs et aux savoir-faire multiples - Dossier de presse CNAOL 2019
[76] Idem footnote above

schools, built-up areas, sports facilities, cycle routes, etc.[77]

Examples of landscape and habitats conservation:

"Limone di Siracusa" PGI (Italy): this lemon belongs fully to the culture and the history of Italy. It characterises the landscape of the South East part of Sicily.[78]

"Queijo Terrincho" PDO (Portugal): The extensive exploitation of the sheep breed is an example of habitat maintenance also contributes to reducing fires risk. The extensive system preserves soil structure and reduces desertification. Soils are less exposed to erosion, which has a positive impact in a region where aridity is significant. At the same time biodiversity is preserved.[79]

"Magyar szürkemarha hús" PGI (Hungary): the Hungarian grey cattle providing this meat are raised in a traditional extensive walking-grazing system (animals walk 20-30 kilometres a day) on significant areas of pasture land, under conservation protection. Cows have one calf per year which is immediately roaming with the herd. This system is sustainable and traditional, and ensures preservation of valuable flora and fauna.[80]

[77] https://eur-lex.europa.eu/legal-content/FR/TXT/?uri=uriserv:OJ.L_.2019.290.01.0004.01.FRA&toc=OJ:L:2019:290:TOC

[78] "Limone di Siracusa" Single Document, OJ C 165, 20.05.2015, p. 6

[79] "Queijo Terrincho" Product specification: https://tradicional.dgadr.gov.pt/images/prod_imagens/queijos/docs/CE_Queijo_Terrincho_analise.pdf

[80] "Magyar szürkemarha hús" Single Document, OJ C 83, 17.03.2011, p. 14

Examples of Animal welfare:

The recent open public consultation on GIs clearly indicated that consumers are more and more concerned about animal welfare. They expect GIs to not only comply with the rules on animal welfare but to go above them. The following examples demonstrate some GIs already have practices implying a higher level of animal well-being:

"Agnello di Sardegna" PGI (Italy – Sardinia): lamb biologically healthy and totally free of any chemical or biotic contamination. Sardinian lambs, because of their young age, are not subject to force feeding, environmental stress or hormonal treatments, being reared in the open air in a completely natural environment.[81]

"Abbacchio romano" PGI (Italy): lambs are reared in free-range and semi-free range, and are fed with their mothers' milk. The mother ewes graze on the natural and sown pasture and meadowland typical of the production zone; traditional mountain grazing in the summer is permitted.[82]

"Idiazabal" PDO (Spain - Basque Country and Navarre): extensive, traditional sheep rearing and grazing in mountainous region through shepherding; low milk productivity of the breed guarantees traditional non-intensive methods of production of sheep cheese.[83]

"Taureau de Camargue' PDO (France): vast pastures composed of halophilous plants in the Camargue and of dry grasslands in the winter growth zone influence the physical and mental development of the animals. In turn, their rearing plays a significant environmental role, as it affects the evolution of the vegetation in the natural environments (salt meadows, swamps and open pastures): the bulls limit the growth of certain plant species and use large areas of vegetation composed of a mosaic of juxtaposed and interconnected habitats.[84]

[81] "Agnello di Sardegna" Single Document, OJ C 466, 30.12.2014, p. 6
[82] "Abbacchio Romano" Single Document, OJ L 337, 11.12.2012, p. 15
[83] "Idiazabal" Single Document, OJ C 297, 8.9.2017, p. 10
[84] "Taureau de Camargue" Single Document, OJ L313, 13.11.2012, p. 5

Example of CO2 Emissions - Carbon storage

Grazed pastures at the origin of many PDO/PGI cheeses provide a net storage of 500 kg carbon/ha/year. Positive external ecological effects originating from meadows such as carbon storage, water filtration, pollination, cultural services including landscape amenities are estimated at EUR 600 / ha / year (non-market equivalent and excluding maintenance costs).[85]

[85] PDO The best proof of authenticity - Brochure CNIEL: https://www.fromages-aop.com/wp-content/uploads/AOP_brochure.pdf

Annex 8 : The Baseline

The baseline is a "no policy change" scenario, which includes all relevant Union-level and national policies and measures which are assumed to continue in force. The baseline already includes the outcome of the co-legislators agreement in June 2021 following the Commission proposal[86] of 1 June 2018 on amendments to Regulation (EU) No 1308/2013 on the Common Market Organisation, which entered into force in December 2021.

These amendments include the following main changes:

- PDO/PGI definitions: clarification of the definition of 'Protected Designation of Origin' for wines will enable producer groups to use new varietals needed in response to climate change, and allow proper justifications of applications in line with viticulture and oenological realities. In addition, the current definition is too strict, limiting the protected name to the name of the region, thus causing difficulties to register a wine name containing besides the region for example the wording “wine from”. The Commission proposal provides for a definition similar to the one for agricultural products and foodstuffs. Finally, the proposal aims to clarify that human factor present in the geographical area should make a part of PDO/PGI description where relevant.

- More efficient management of the registration process:

  – clarification that the Commission examination focuses on manifest errors;

  – suspension of Commission’s scrutiny of the application, if national judicial procedures in relation to a national opposition are still on-going while the Member State has already submitted the application to the Commission;

  – where the Commission does not receive any admissible opposition it is not necessary that such a decision is subject to Member States’ vote under the comitology rules.

- Simplified procedures for amendments to product specification for agricultural products and foodstuffs: alignment with those in wine and spirit drinks sector, i.e. Union (the most important) and standard (minor) amendments.

- Cancellation of registered names: to allow producers and Member State authorities to request cancellation of a wine GI name on the grounds that they are no longer interested in keeping the name registered (to harmonise with food).

[86] Proposal amending Regulations (EU) No 1308/2013 establishing a common organisation of the markets in agricultural products, (EU) No 1151/2012 on quality schemes for agricultural products and foodstuffs, (EU) No 251/2014 on the definition, description, presentation, labelling and the protection of geographical indications of aromatised wine products, (EU) No 228/2013 laying down specific measures for agriculture in the outermost regions of the Union and (EU) No 229/2013 laying down specific measures for agriculture in favour of the smaller Aegean islands.

- Regulation (EU) No 251/2014 on aromatised wine products: applying the GI rules for agricultural products and foodstuffs (Regulation (EU) No 1151/2012) also to aromatised wine products instead of having a separate Regulation is a further simplification and reduction of administrative burden without impacting stakeholders' existing rights (one Regulation "out").

- Enhanced protection: in the view of the recent trends in the sales of goods, protection against goods in transit and specific reference to protection on internet are proposed. At present, products the designation of which contravenes the rules on protection of PDO/PGI cannot be seized if they are just in transit within the EU.

- Sustainability of GI production: Product specification may include a contribution of PDOs and PGIs to the sustainable development.

- The extension of GI supply management: previously available only for GI cheeses and hams, this provision is now applicable to all GI products.

As regards the Commission proposal, all changes to Regulation (EU) No 1308/2013 were accepted by the legislators, with the exception of the provision that human factor present in the geographical area should make a part of PDO/PGI description where relevant. Instead of this, the legislators agreed that in the product specification, the details concerning human factors of the geographical environment may, where relevant, be limited 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.

Without further intervention, the baseline would not develop in the sense of strengthening the system of GIs. In the past recent years, the Commission provided for legal simplification and clarification in wine sector through implementing legislation that entered into force in 2019, while new modernised legislation for spirit drinks sector entered into force in 2019. Both legislations, however, focused on modernisation and simplification of GI rules while they did not address challenges related to sustainability, imbalances on the market and consumer information, while they addressed protection and enforcement and to a lesser extent. This is also demonstrated in the Impact Assessment Report that identifies problems notably in the areas that have not yet been sufficiently addressed.

Annex 9 compares the legislation in force with the exclusion of the latest amendment to the CMO Regulation, and notably shows not only differences between the sectors (for example in protection and enforcement, consumer information, registration procedures) but also lack of Union provisions that would enhance sustainability and contribute to reducing imbalances on the market notably by empowering producer groups.

GIs play an important role in the agenda outlined by the Farm-to-Fork strategy: by linking specific foods and drinks with added value to the place where they are produced, they are paramount to the sustainable development of the regions, through their contribution in keeping people and jobs in specific regions, to preserving food heritage and valorising local systems. GIs and traditional production and consumption also contribute to the objective highlighted in the Farm-to-Fork strategy of promotion of

healthy and sustainable diets, by increasing availability and accessibility to varied foods. The Farm-to-Fork strategy clearly states that current food consumption patterns are unsustainable from both health and environmental points of view.

In line with the goal set out in the Farm-to-Fork strategy to make the European food system a global standard for sustainability, the revision of the GI systems aims to encourage and support GI producers to integrate higher voluntary sustainability standards and to communicate about the sustainability of their products. GI producers have started to respond to growing societal demands by integrating sustainability aspects into the product specifications, being aware of consumer expectations, as demonstrated in the producer groups' survey. However, these attributes are often not conveyed to consumers in a structured manner and are not efficiently promoted. Recently, steps have been taken to address this weakness: the GIview database allows producers to convey messages on the sustainability attributes of their GI products.

The current legal framework for GIs/TSGs does not address the requirements stemming from the changed political priorities and recent societal developments in this field. This implies that, while several initiatives are taken by producers and authorities to introduce sustainability elements into GI/TSG schemes, no systematic approach and result can be expected without an EU initiative.

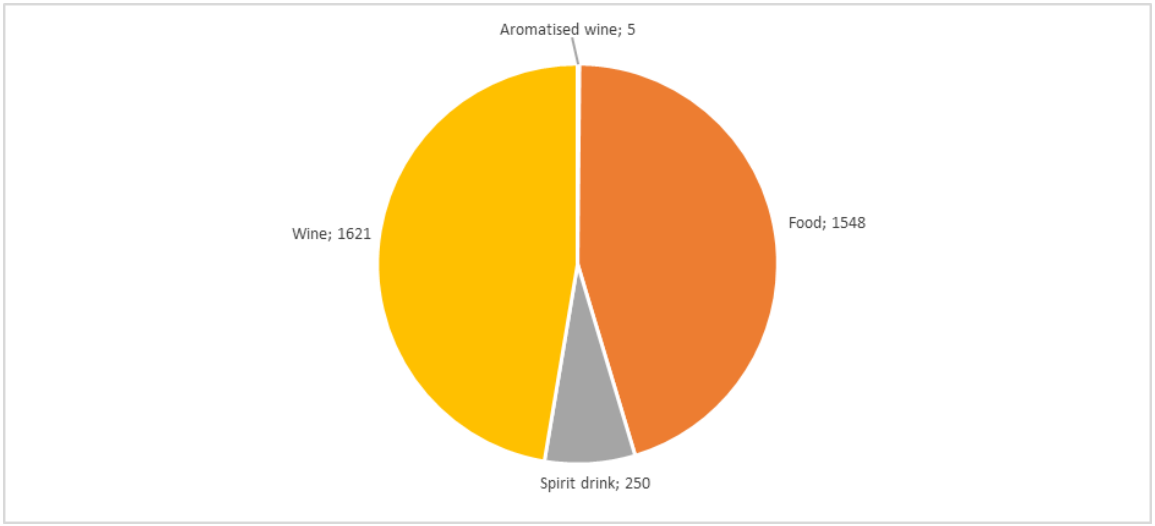
COVID-19 pandemic is included in the baseline as a phenomenon that affected income, employment and processes in the manufacturing industry. Wine sector has notably reported that the appellation sector continues to suffer significant losses due to the disruption of the Horeca and tourism. Furthermore, there are clear losses with regard to wine exports due the COVID-19. Source: http://efow.eu/press-release-wine-appellations-and-covid-19-efows-presidents-take-stock-of-the-crisis-and-the-measures-implemented-at-the-european-level/.

However, it is not clear yet at this stage, in terms of aggregated statistical data, to which extent GI production has been affected. Therefore, evidence in this report is based on the study on the value of GI/TSG production and the evaluation support study that is based on data prior to the COVID situation.

Annex 9: GI statistics

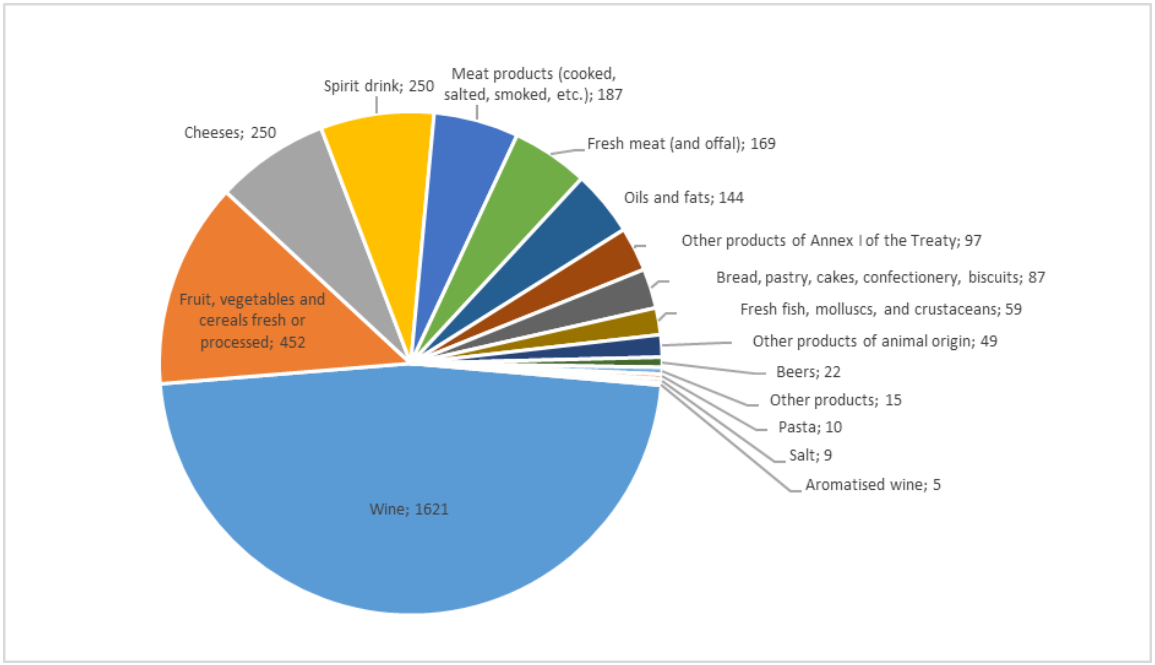
14. 1. REGISTERED GIS

Registered number of GIs (3424) by sector - 30 April 2021



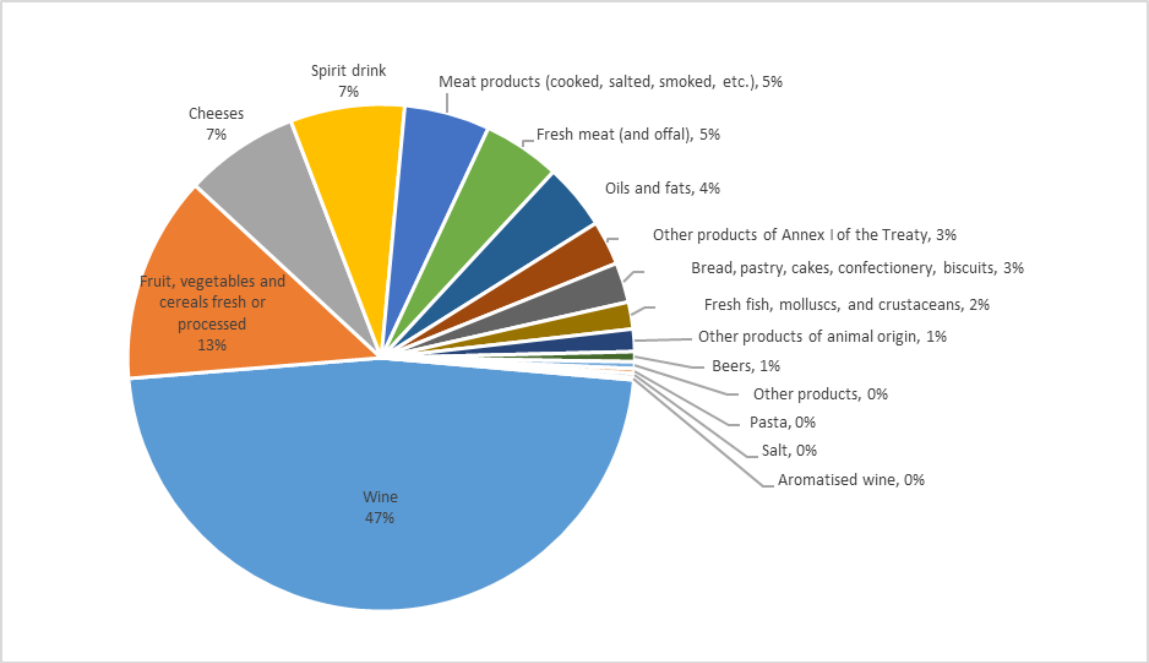
In total number, the multi-country GIs included. Source: DG AGRI

Classification of number of registered GIs - 30 April 2021



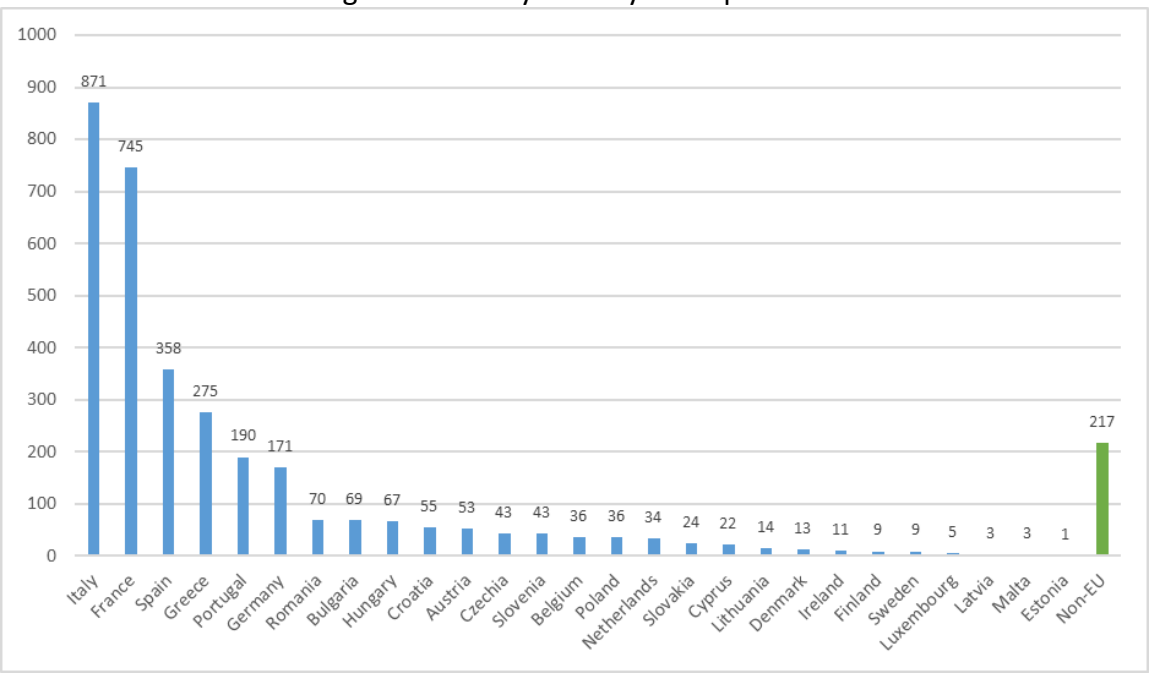
Multi category GIs included. Source: DG AGRI

Classification of registered GIs (%) - 30 April 2021



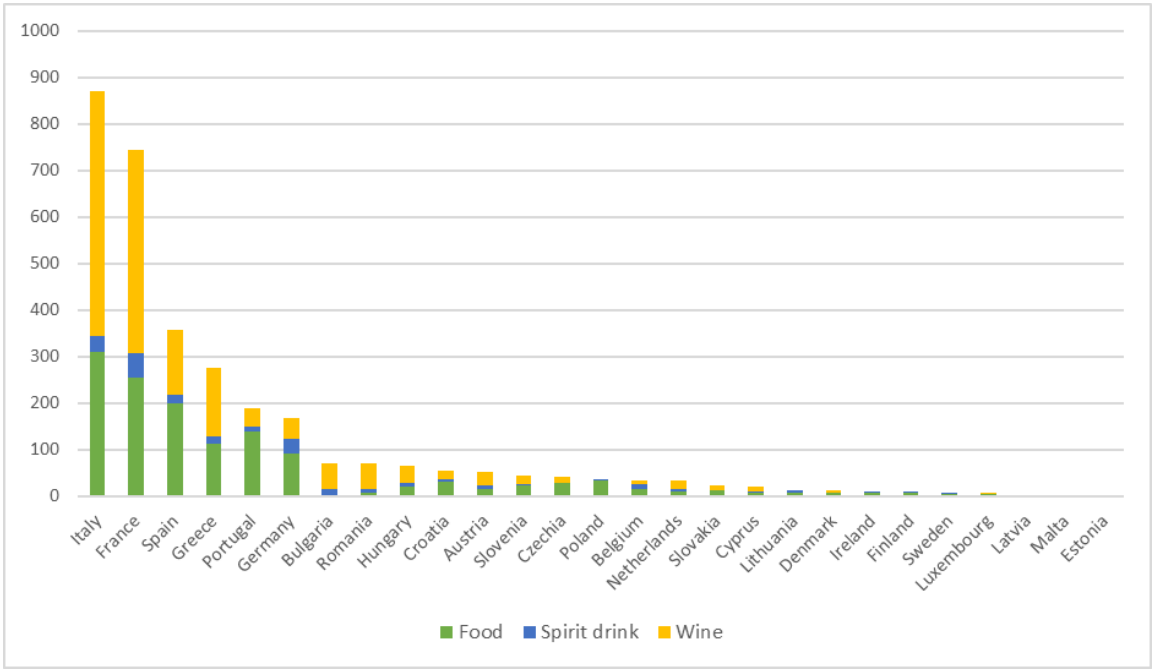
Multi category GIs included. Source: DG AGRI

Registered GIs by country - 30 April 2021



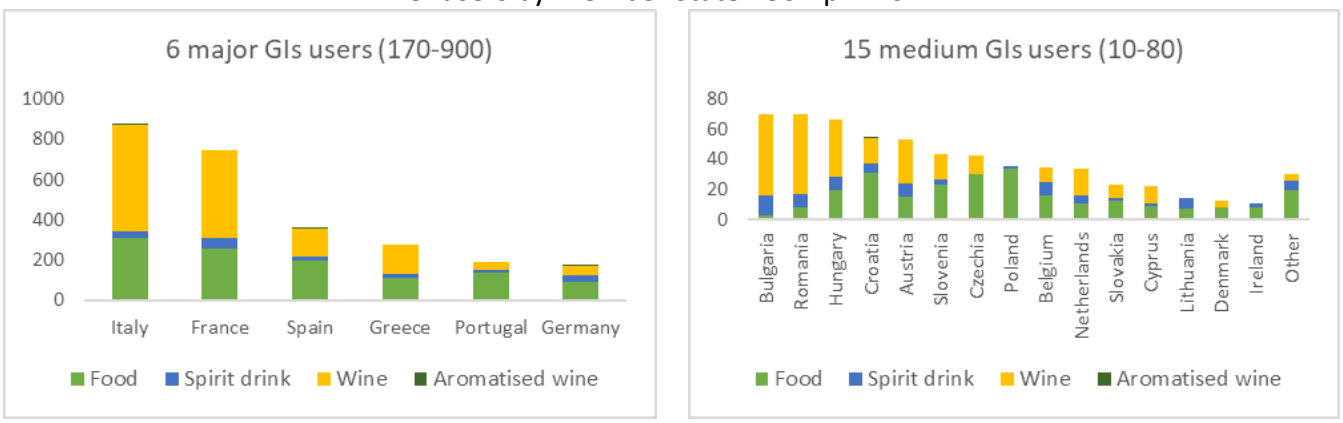
In total number, the multi-country GIs included. Source: DG AGRI

Registered GIs by Member State and sector - 30 April 2021



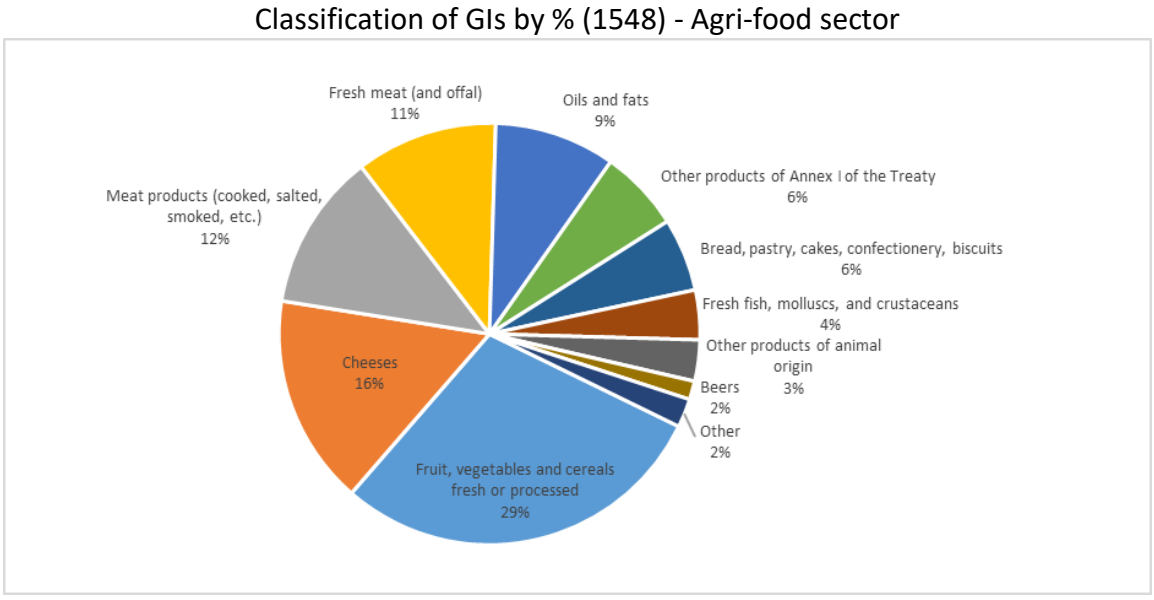
In total number, the multi-country GIs included. Source: DG AGRI

GI users by Member State - 30 April 2021

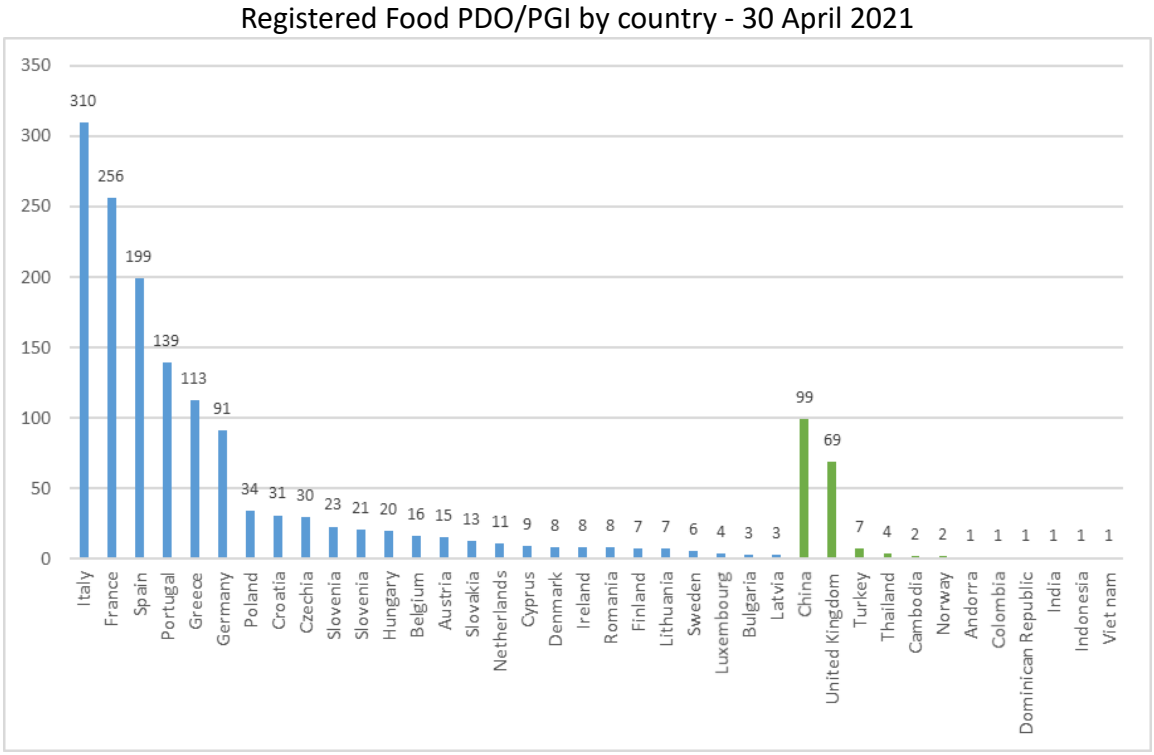


Source: DG AGRI

15. 2. STATISTICS ON THE AGRI-FOOD SECTOR GIS

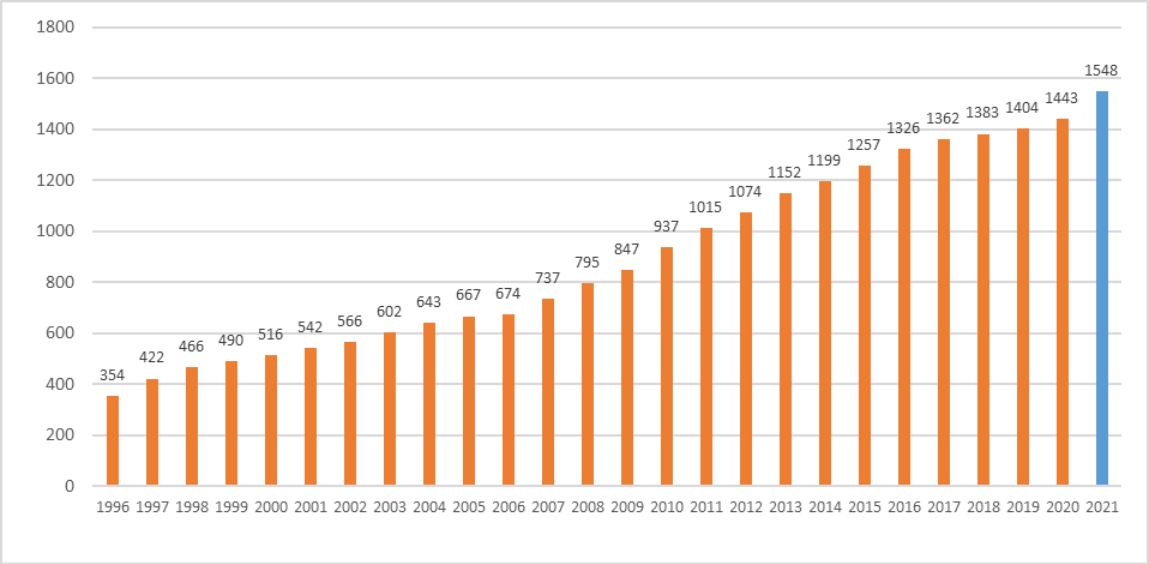


Multi category GIs included. Source: DG AGRI



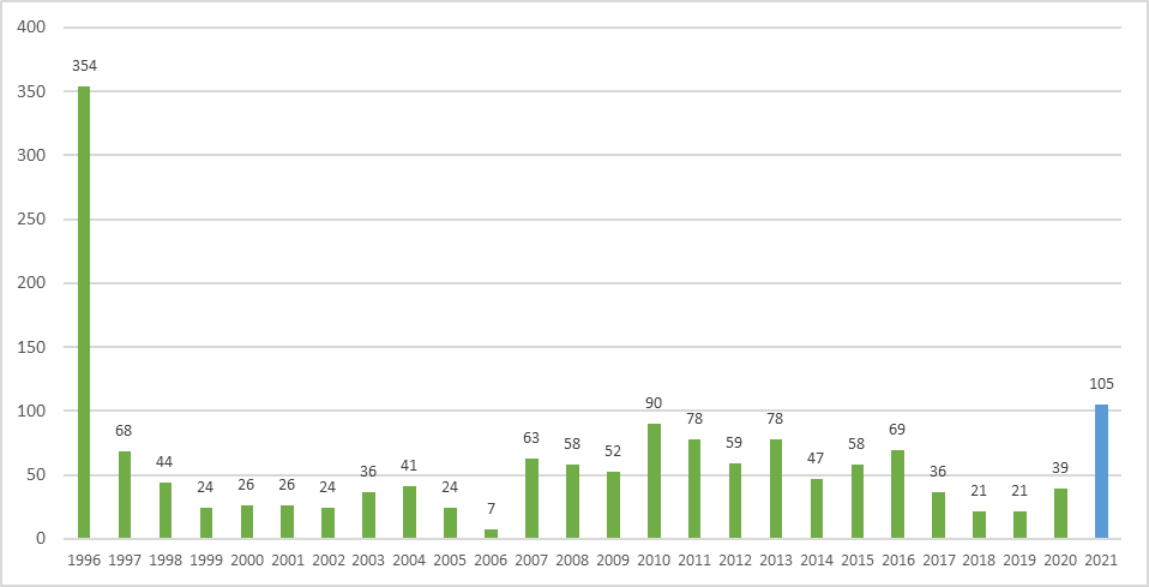
In total number, the multi-country GIs included. Source: DG AGRI

Evolution of PDO/PGI Food registrations (non-EU countries included) - 30 April 2021



Source: DG AGRI

Registered Food PDO/PGI by year - 30 April 2021

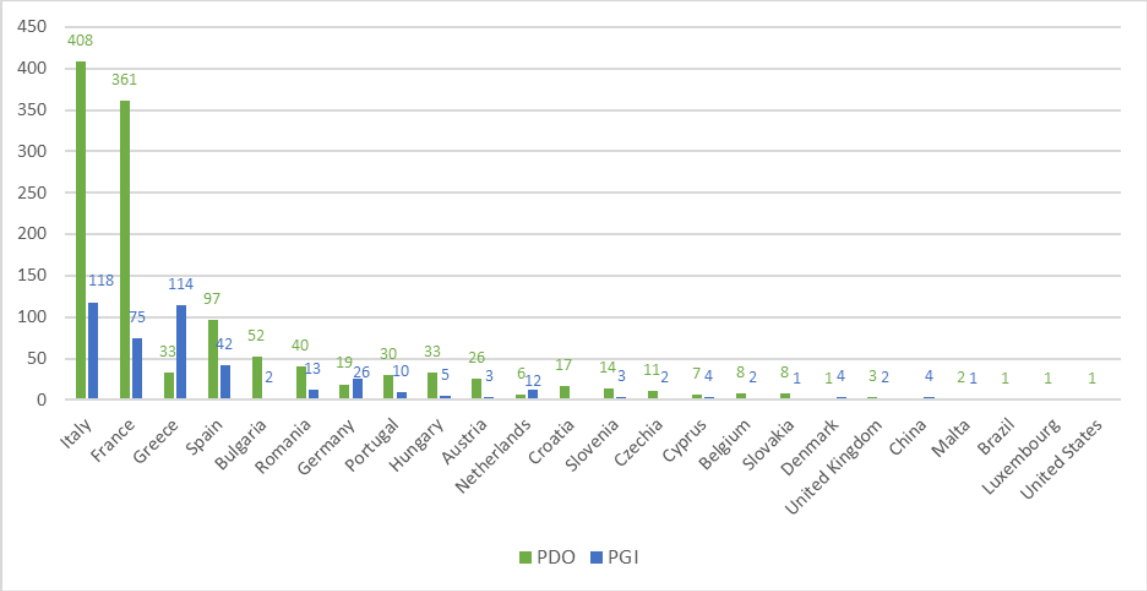


Source: DG AGRI

16. 3. STATISTICS ON WINE GIS

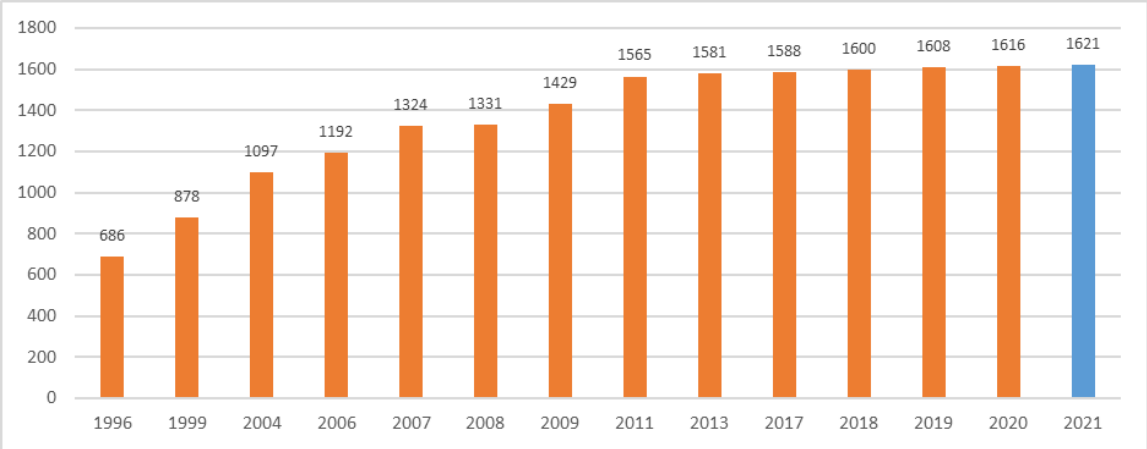
Registered Wine PDO/PGI by country (non-EU countries included) - 30 April 2021

(total 1621)



In total number, the multi-country GIs included. Source: DG AGRI

Evolution of Wine PDO/PGI (non-EU countries included) - 30 April 2021

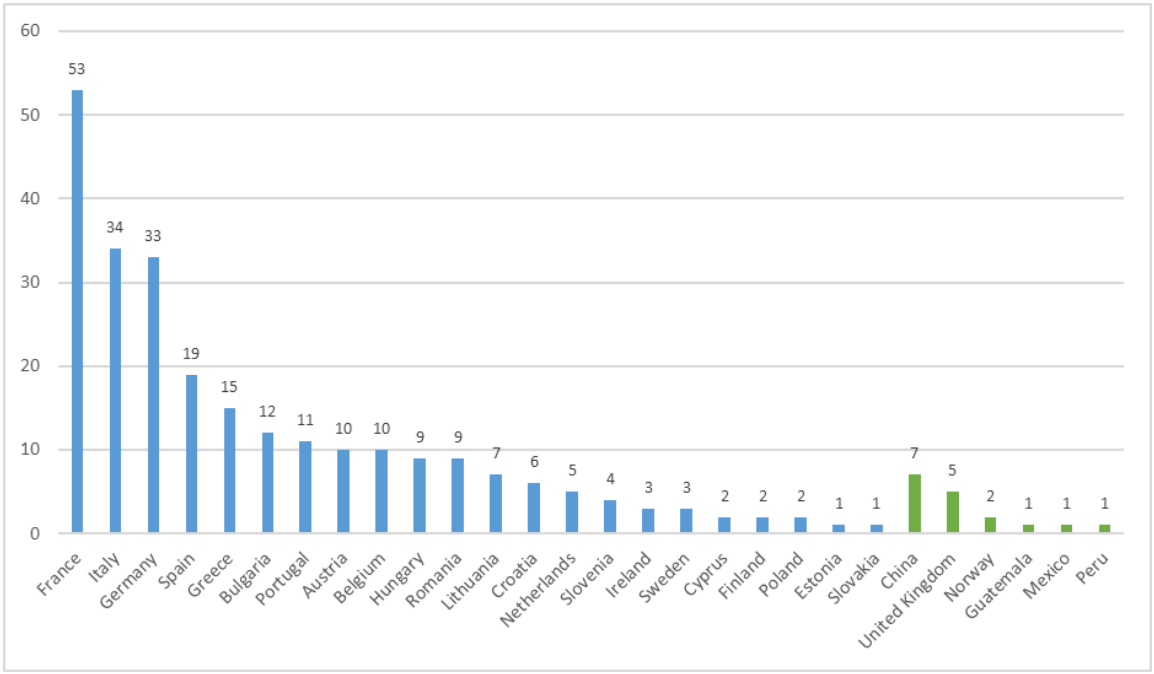


Source: DG AGRI

17. 4. STATISTICS ON SPIRIT GIS

GI Spirit drinks by country (non-EU countries included) - 30 April 2021

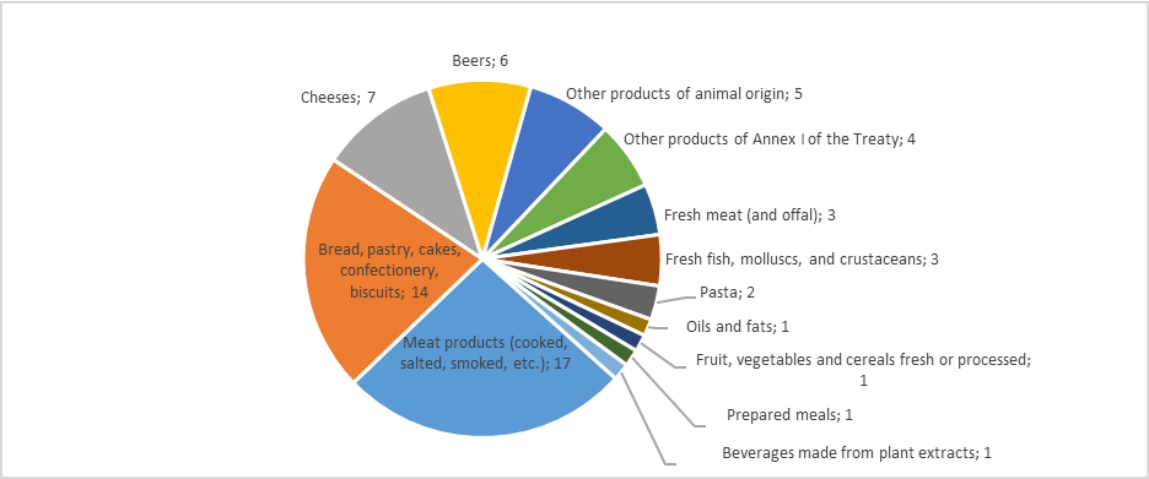
(250)



In total number, the multi-country GIs included. Source: DG AGRI

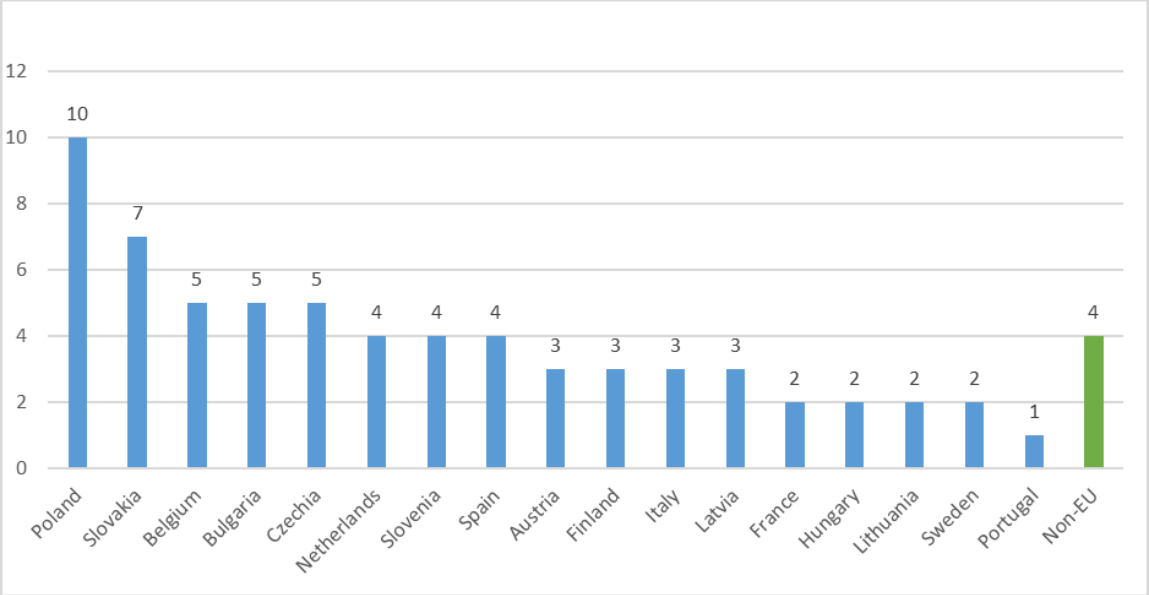
18. 5. STATISTICS ON TSGS

Classification of TSGs - Food sector (65) - 30 April 2021



Source: DG AGRI

Registered TSGs by country (non EU countries included) - 30 April 2021 (65)

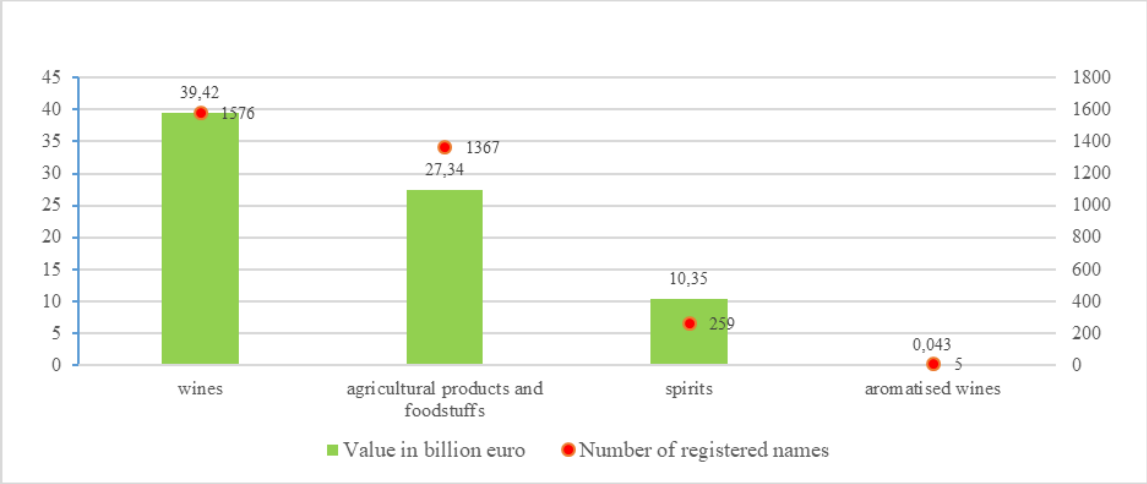


In total number, the multi-country TSGs included. Source: DG AGRI

19. 6. ECONOMIC VALUE OF GIS

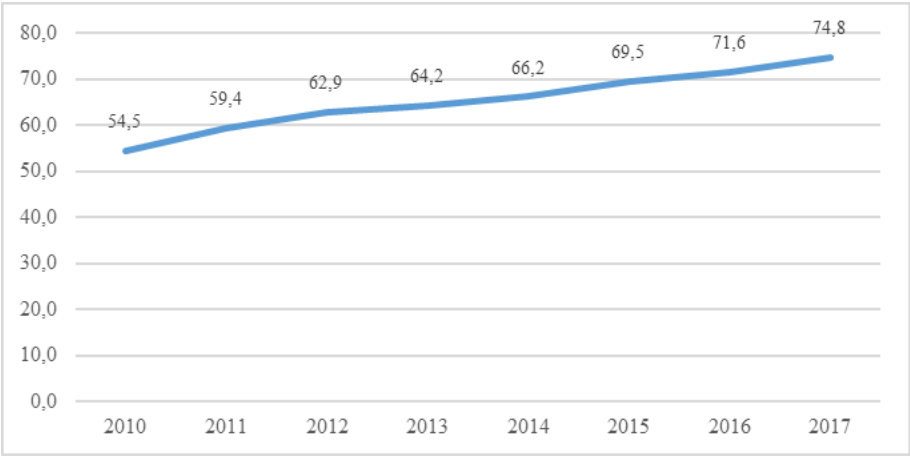
- **Sales value of EU GIs: €74.76 billion in 2017 (estimated at wholesale stage in the region of production)**
- **6.8 % of the total EU food and drink sector**
- **Estimate of EU GI exports value to non-EU countries: € 16.9 billion in 2017**
- **15.4% of EU food and drink industry exports**

GIs/TSG sales value by scheme (in billion EUR)- 2017



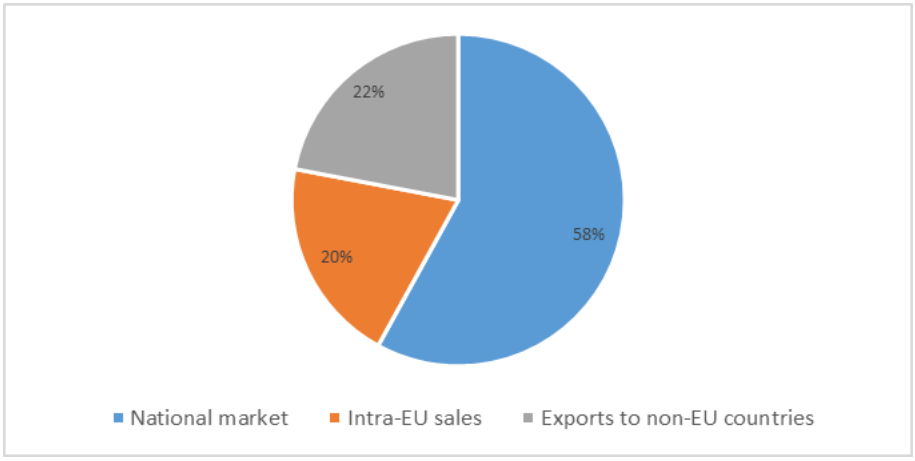
Source: Study on value added of GIs by AND International for DG AGRI (2019)

Sales value evolution of GIs (in billion EUR)



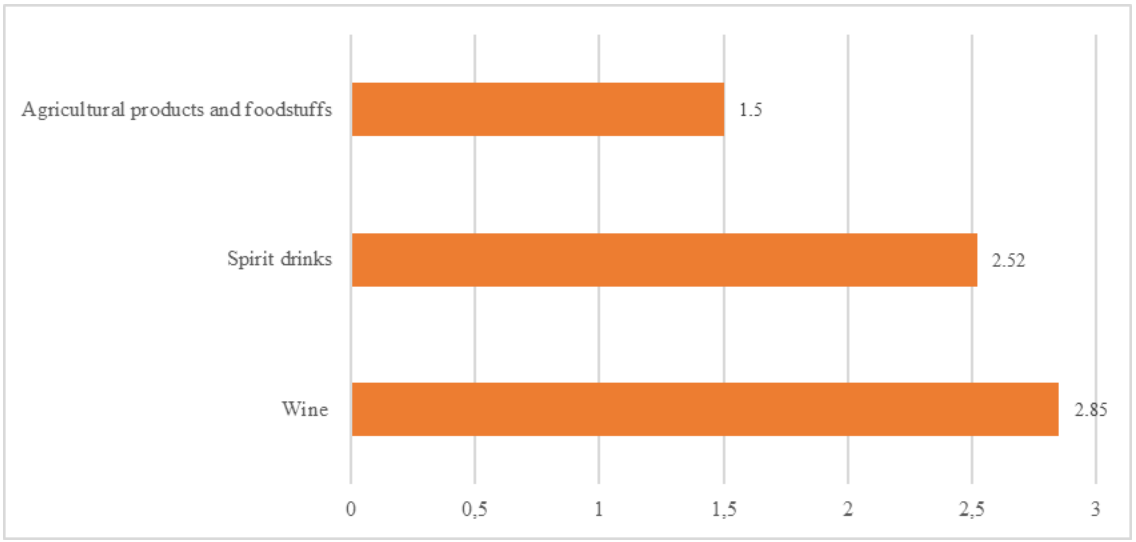
Source: Study on value added of GIs by AND International for DG AGRI (2019)

Sales value of GI/TSG Products by destination, 2017



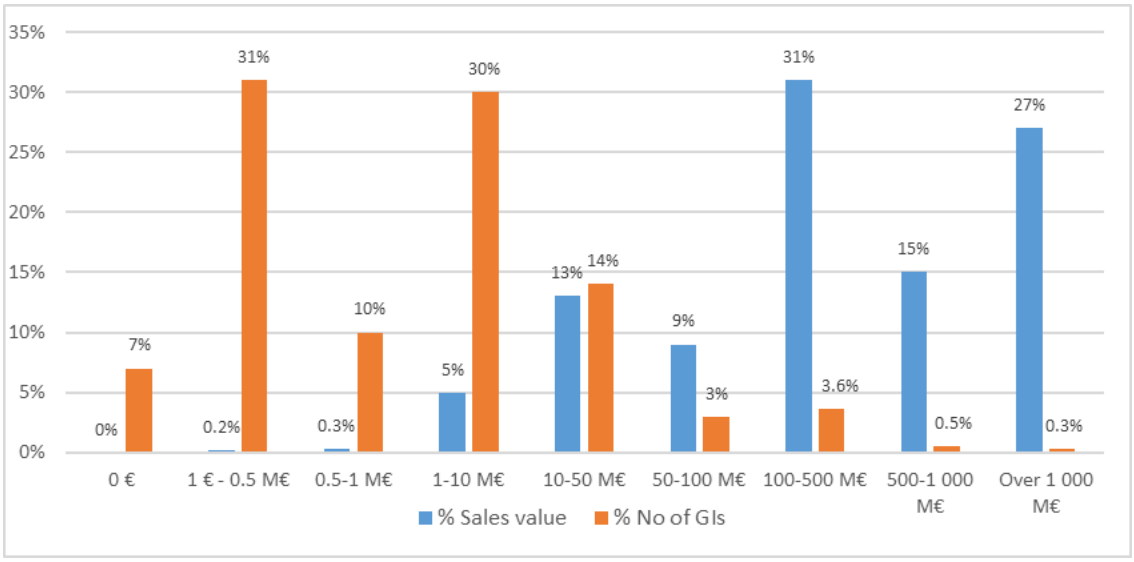
Source: Study on value added of GIs by AND International for DG AGRI (2019)

Value premium rate for GIS/TSGs in EU 28 by scheme (2017)



Source: Study on value added of GIs by AND International for DG AGRI (2019)

Share of total sales value and of the number of GIs by size, 2017 (%)



Source: Study on value added of GIs by AND International for DG AGRI (2019)

Annex 10: Comparison of GI legislation; Foodstuffs, wine and spirits GIs – Basic acts

	FOODSTUFFS	WINE	SPIRITS
21. 1. REGULATION	**Regulation (EU) 1151/2012** http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:343:0001:0029:en:PDF (consolidated 14/12/2019) https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02012R1151-20191214	**Regulation (EU) 1308/2013** http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:347:0671:0854:EN:PDF (consolidated 29.12.2020) https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02013R1308-20201229	**Regulation (EU) 2019/787** https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019R0787&from=EN (consolidated 17.05.2019) https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A02019R0787-20190517
22. 2. OBJECTIVE	**Article 4 : Objective** A scheme for protected designations of origin and protected geographical indications is established in order to help producers of products linked to a geographical area by: (a) securing fair returns for the qualities of their products; (b) ensuring uniform protection of the names as an intellectual property right in the territory of the Union; (c) providing clear information on the value-adding attributes of the product to consumers.	**Article 92.2 : Scope** 2. The rules referred to in paragraph 1 shall be based on: (a) protecting the legitimate interests of consumers and producers; (b) ensuring the smooth operation of the internal market in the products concerned; and (c) promoting the production of quality products referred to in this Section, whilst allowing national quality policy measures.	

23. 3. SCOPE	**Article 2 : Scope** 1. This regulation covers agricultural products intended for human consumption listed in Annex I to the Treaty and other agricultural products and foodstuffs listed in Annex I to this Regulation. (…) 2. This regulation shall not apply to spirit drinks, aromatised wines or grapevine products as defined in Annex XIb to Regulation (EC) No 1234/2007, with the exception of wine-vinegars. (…)	**Article 92.1 : Scope** 1. Rules on designations of origin, geographical indications and traditional terms laid down in this Section shall apply to the products referred to in points 1[87], 3 to 6[88], 8[89], 9[90], 11[91], 15[92] and 16[93] of Part II of Annex VII[94]. (…)	**Article 1 : Subject matter and scope** 1. This Regulation lays down rules on: — the definition, description, presentation and labelling of spirit drinks, as well as on the protection of geographical indications of spirit drinks; — the ethyl alcohol and distillates used in the production of alcoholic beverages; and — the use of legal names of spirit drinks in the presentation and labelling of foodstuffs other than spirit drinks. 2. This Regulation applies to products referred to in paragraph 1 that are placed on the Union market, whether produced in the Union or in third countries, as well as to those produced in the Union for export. 3. As regards the protection of geographical indications, Chapter III of this Regulation also applies to goods entering the customs territory of the Union without being released for free circulation there.

[87] wine
[88] liqueur wine, sparkling wine, quality sparkling wine, quality aromatic sparkling wine
[89] semi-sparkling wine
[90] aerated semi-sparkling wine
[91] partially fermented grape must
[92] wine from raisined grapes
[93] wine of overripe grapes
[94] "Annex VIII" to be corrected to "Annex VII" in EN version

24. 4. DEFINITION - DESIGNATION OF ORIGIN (DOO)	**Article 5.1 : Requirements for DoO and GIs** 1. For the purpose of this Regulation, 'designation of origin" is a name which identifies a product: (a) originating in a specific place, region or, in exceptional cases, a country; (b) whose quality or characteristics are essentially or exclusively due to a particular geographical environment with its inherent natural and human factors; and (c) the production steps of which all take place in the defined geographical area.	**Article 93 : Definitions** 1. For the purposes of this Section, the following definitions shall apply : (a) "a designation of origin" means the name of a region, a specific place or, in exceptional and duly justifiable cases, a country used to describe a product (…) fulfilling the following requirements: (i) the quality and characteristics of the product are essentially or exclusively due to a particular geographical environment with its inherent natural and human factors; (ii) the grapes from which the product is produced come exclusively from that geographical area; (iii) the production takes place in that geographical area; and (iv) the product is obtained from vine varieties belonging to Vitis vinifera; (…) 4. Production as referred to in point (a)(iii) of paragraph 1 shall cover all the operations involved, from the harvesting of the grapes to the completion of the wine-making processes, with the exception of any post-production processes.	

25. 5. DoO - SPECIAL PROVISIONS	**Article 5.3 : Requirements for DoO and GIs** 3. Notwithstanding paragraph 1, certain names shall be treated as designations of origin even though the raw materials for the products concerned come from a geographical area larger than, or different from, the defined geographical area, provided that: (a) the production area of the raw materials is defined; (b) special conditions for the production of the raw materials exist; (c) there are control arrangements to ensure that the conditions referred to in point (b) are adhered to; and (d) the designations of origin in question were recognised as designations of origin in the country of origin before 1 May 2004. Only live animals, meat and milk may be considered as raw materials for the purposes of this paragraph.	**Article 93.2 : Definitions** 2. Certain traditionally used names shall constitute a designation of origin where they: (a) designate a wine; (b) refer to a geographical name; (c) fulfil the requirements referred to in points (a)(i) to (iv) of paragraph 1; and (d) have undergone the procedure conferring protection on designations of origin and geographical indications laid down in this Subsection.	
26. 6. DEFINITION - GEOGRAPHICAL INDICATION	**Article 5.2 : Requirements for DO and GIs** 2. For the purpose of this Regulation, 'geographical indication' is a name which identifies a product: (a) originating in a specific place, region or country; (b) whose given quality, reputation or other characteristic is essentially attributable to its geographical origin; and (c) at least one of the production steps of which take place in the defined geographical area.	**Article 93 : Definitions** 1. (…) (b) "a geographical indication" means an indication referring to a region, a specific place or, in exceptional and duly justifiable cases, a country, used to describe a product (…) fulfilling the following requirements: (i) it possesses a specific quality, reputation or other characteristics attributable to that geographical origin; (ii) at least 85 % of the grapes used for its production come exclusively from that geographical area; (iii) its production takes place in that geographical area; and (iv) it is obtained from vine varieties belonging to Vitis vinifera or a cross between the Vitis vinifera species and other species of the genus Vitis. (…) 5. For the purpose of the application of point (b)(iii) of paragraph 1, the maximum 15% share of grapes which may originate outside the demarcated area shall originate from the Member State or third country in which the demarcated area is situated.	**Article 3 : Definitions** For the purposes of this Regulation, the following definitions apply: (…) (4) 'geographical indication' means an indication which identifies a spirit drink as originating in the territory of a country, or a region or locality in that territory, where a given quality, reputation or other characteristic of that spirit drink is essentially attributable to its geographical origin; (…)

27. 7. APPLICATIONS FOR PROTECTION	**Article 8(1) first subparagraph : Content of application for registration** 1. An application for registration of a designation of origin or geographical indication pursuant to Article 49(2) or (5) shall include at least: (a) the name and address of the applicant group and of the authorities or, if available, bodies verifying compliance with the provisions of the product specification; (b) the product specification provided for in art. 7; (c) a single document setting out the following: (i) the main points of the product specification: the name, a description of the product, including, where appropriate, specific rules concerning packaging and labelling, and a concise definition of the geographical area; (ii) a description of the link between the product and the geographical environment or geographical origin referred to in Article 5(1) or (2), as the case may be, including, where appropriate, the specific elements of the product description or production method justifying the link. (…) **Article 8(2): Content of application for registration** 2. An application dossier referred to in Article 49(4) shall comprise: (a) the name and address of the applicant group; (b) the single document referred to in point (c) of paragraph 1 of this Article; (c) a declaration by the Member State that it considers that the application lodged by the applicant group and qualifying for the favourable decision meets the conditions of this Regulation and the provisions adopted pursuant thereto; (d) the publication reference of the product specification.	**Article 94.1 : Applications for protection** 1. Applications for protection of names as designations of origin or geographical indications shall include a technical file containing: (a) the name to be protected; (b) the name and address of the applicant; (c) a product specification, as referred to in paragraph 2; and (d) a single document summarising the product specification referred to in paragraph 2.	**Article 23(1) first subparagraph : Content of application for registration of a geographical indication** 1. An application for registration of a geographical indication pursuant to Article 24(5) or (8) shall include at least: (a) the name and address of the applicant group and of the competent authorities or, if available, the bodies that verify compliance with the provisions of the product specification; (b) the product specification provided for in Article 22; (c) a single document setting out the following: (i) the main points of the product specification, including the name to be protected, the category to which the spirit drink belongs or the term ‘spirit drink’, the production method, a description of the characteristics of the spirit drink, a concise definition of the geographical area, and, where appropriate, specific rules concerning packaging and labelling; (ii) a description of the link between the spirit drink and its geographical origin as referred to in point (4) of Article 3, including, where appropriate, the specific elements of the product description or production method justifying the link. 2. An application dossier as referred to in Article 24(7) shall include:

	Article 49.6 : Application for registration of names 6. The documents referred to in this article which are sent to the Commission shall be in one of the official languages of the Union.		(a) the name and address of the applicant group; (b) the single document referred to in point (c) of paragraph 1 of this Article; (c) a declaration by the Member State that it considers that the application meets the requirements of this Regulation and the provisions adopted pursuant thereto; (d) the publication reference of the product specification.

28. 8. PRODUCT SPECIFICATIONS	**Article 7 : Product specification** 1. A protected designation of origin or a protected geographical indication shall comply with a specification which shall include at least: (a) the name to be protected as a designation of origin or geographical indication, as it is used, whether in trade or in common language, and only in the languages which are or were historically used to describe the specific product in the defined geographical area; (b) a description of the product, including the raw materials, if appropriate, as well as the principal physical, chemical, microbiological or organoleptic characteristics of the product; (c) the definition of the geographical area delimited with regard to the link referred to in point (f)(i) or (ii) of this paragraph, and, where appropriate, details indicating compliance with the requirements of Article 5(3); (d) evidence that the product originates in the defined geographical area referred to in Article 5(1) or (2); (e) a description of the method of obtaining the product and, where appropriate, the authentic and unvarying local methods as well as information concerning packaging, if the applicant group so determines and gives sufficient product-specific justification as to why the packaging must take place in the defined geographical area to safeguard quality, to ensure the origin or to ensure control, taking into account Union law, in particular that on the free movement of goods and the free provision of services; (f) details establishing the following: (i) the link between the quality or characteristics of the product and the geographical environment referred to in Article 5(1); or (ii) where appropriate, the link between a given quality, the reputation or other characteristic of the product and the geographical origin referred to in Article 5(2); (g) the name and address of the authorities or, if available, the name and address of bodies verifying compliance with the provisions of the product specification pursuant to Article 37 and their specific tasks; (h) any specific labelling rule for the product in question.	**Article 94.2 : Applications for protection** 2. The product specification shall enable interested parties to verify the relevant conditions of production relating to the designation of origin or geographical indication. The product specification shall at least consist of: (a) the name to be protected (b) a description of the wine or wines: (i) in respect of a designation of origin, the principal analytical and organoleptic characteristics; (ii) in respect of a geographical indication, the principal analytical characteristics as well as an evaluation or indication of its organoleptic characteristics; (c) where applicable, the specific oenological practices used to make the wine or wines, as well as the relevant restrictions on making them; (d) the demarcation of the geographical area concerned; (e) the maximum yields per hectare; (f) an indication of the wine grape variety or varieties that the wine or wines are obtained from; (g) the details bearing out the link referred to in point (a)(i) or, as the case may be, in point (b)(i) of Article 93(1); (h) applicable requirements laid down in Union or national legislation or, where provided for by Member States, by an organisation which manages the protected designation of origin or the protected geographical indication, having regard to the fact that such requirements must be objective, non-discriminatory and compatible with Union law; (i) the name and address of the authorities or bodies verifying compliance with the provisions of the product specification, and their specific tasks.	**Article 22 : Product specification** 1. A geographical indication protected under this Regulation shall comply with a product specification which shall include at least: (a) the name to be protected as a geographical indication, as it is used, whether in trade or in common language, only in the languages which are or were historically used to describe the specific product in the defined geographical area, in the original script and in Latin transcription if different; (b) the category of the spirit drink or the term 'spirit drink' if the spirit drink does not comply with the requirements laid down for the categories of spirit drinks set out in Annex I; (c) a description of the characteristics of the spirit drink, including the raw materials from which it is produced, if appropriate, as well as the principal physical, chemical or organoleptic characteristics of the product and the specific characteristics of the product compared to spirit drinks of the same category; (d) the definition of the geographical area delimited with regard to the link referred to in point (f); (e) a description of the method of producing the spirit drink and, where appropriate, the authentic and unvarying local production methods; (f) details establishing the link between a given quality, reputation or other characteristic of the spirit drink and its geographical origin;

			(g) the names and addresses of the competent authorities or, if available, the names and addresses of the bodies that verify compliance with the provisions of the product specification pursuant to Article 38 and their specific tasks; h) any specific labelling rule for the geographical indication in question. Where applicable, requirements regarding packaging shall be included in the product specification, accompanied by a justification showing why the packaging must take place in the defined geographical area to safeguard quality, to ensure the origin or to ensure control, taking into account Union law, in particular Union law on the free movement of goods and the free provision of services. 2. Technical files submitted as part of any application before 8 June 2019 under Regulation (EC) No 110/2008 shall be deemed to be product specifications under this Article

29. 9. APPLICANTS	**Article 49 : Application for registration of names** 1. Applications for registration of names under the quality schemes referred to in Article 48 may only be submitted by groups who work with the products with the name to be registered. (…) A single natural or legal person may be treated as a group where it is shown that both of the following conditions are fulfilled: (a) the person concerned is the only producer willing to submit an application; (b) with regard to protected designations of origin and protected geographical indications, the defined geographical area possesses characteristics which differ appreciably from those of neighbouring areas or the characteristics of the product are different from those produced in neighbouring areas.	**Article 95 : Applicants** 1. Any interested group of producers, or in exceptional and duly justifiable cases a single producer, may apply for the protection of a designation of origin or geographical indication. Other interested parties may participate in the application. 2. Producers may apply for protection only for wines which they produce. (…)	**Article 24 *:* Application for registration of a geographical indicationArticle 24 : Application for registration of a geographical indication** 1. Applications for the registration of a geographical indication under this Chapter may only be submitted by groups who work with the spirit drink, the name of which is proposed for registration. 2. An authority designated by a Member State may be deemed to be a group for the purposes of this Chapter if it is not feasible for the producers concerned to form a group by reason of their number, geographical locations or organisational characteristics. In such case, the application dossier referred to in Article 23(2) shall state those reasons. 3. A single natural or legal person may be deemed to be a group for the purpose of this Chapter if both of the following conditions are fulfilled: (a) the person concerned is the only producer willing to submit an application; and (b) the defined geographical area possesses characteristics which differ appreciably from those of neighbouring areas, the characteristics of the spirit drink are different from those produced in neighbouring areas or the spirit drink has a special quality, reputation or other characteristic which is clearly attributable to its geographical origin.

30. 10. THIRD COUNTRY RULES	**Article 8(1) first subparagraph : Content of application for registration (supra)** **Article 8(1) second subparagraph : Content of application for registration** An application as referred to in Article 49(5) shall, in addition, include proof that the name of the product is protected in its country of origin. (…) **Article 12.6 : Names, symbols and indications** 6. In case of products originating in third countries marketed under a name entered in the register, the indications referred to in paragraph 3 or Union symbols associated with them may appear on the labelling. **Article 49.5 : Application for registration of names** 5. Where the application under the scheme set out in Title II relates to a geographical area in a third country, or where an application under the scheme set out in Title III is prepared by a group established in a third country, the application shall be lodged with the Commission, either directly or via the authorities of the third country concerned.	**Article 93.3 : Definitions** 3. Designations of origin and geographical indications, including those relating to geographical areas in third countries, shall be eligible for protection in the Union in accordance with the rules laid down in this Subsection. **Article 94.1 : Applications for protection (supra)** **Article 94.2 : Applications for protection (supra)** **Article 94.3 : Applications for protection** 3. Where the application for protection concerns a geographical area in a third country, it shall contain, in addition to the elements provided for in paragraphs 1 and 2, proof that the name concerned is protected in its country of origin.	**Article 23(1) first subparagraph: Content of application for registration of a geographical indication (supra)** **Article 23(1) second subparagraph : Content of application for registration of a geographical indication** An application as referred to in Article 24(8) shall also include the publication reference of the product specification and proof that the name of the product is protected in its country of origin. **Article 24 : Application for registration of a geographical indication** (…) 8. Where the application relates to a geographical area in a third country, the application shall be submitted to the Commission, either directly or via the authorities of the third country concerned. 9. The documents referred to in this Article which are sent to the Commission shall be in one of the official languages of the Union.

31. 11. TRANS-BORDER APPLICATIONS	**Article 49 : Application for registration of names** 1. (…) 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 specialities guaranteed' name, several groups from different Member States or third countries may lodge a joint application for registration.	**Article 95 : Applicants** 3. In the case of a name designating a trans-border geographical area or a traditional name connected to a trans-border geographical area, a joint application may be submitted.	**Article 24 : Application for registration of a geographical indication** (…) 4. In the case of a geographical indication that designates a cross-border geographical area, several groups from different Member States or third countries may submit a joint application for registration. Where a joint application is submitted, it shall be submitted to the Commission by a Member State concerned, or by an applicant group in a third country concerned, directly or through the authorities of that third country after consultation of all the authorities and applicant groups concerned. The joint application shall include the declaration referred to in point (c) of Article 23(2) from all the Member States concerned. The requirements laid down in Article 23 shall be fulfilled in all Member States and third countries concerned. In the case of joint applications, the related national opposition procedures shall be carried out in all the Member States concerned. (…) 9. The documents referred to in this Article which are sent to the Commission shall be in one of the official languages of the Union.

32. 12. PRELIMINARY NATIONAL PROCEDURE	**Article 49 : Application for registration of names** 2. Where the application under the scheme set out in Title II relates to a geographical area in a Member State, (or where an application under the scheme set out in Title III is prepared by a group established in a Member State), the application shall be addressed to the authorities of that Member State. The Member State shall scrutinise the application by appropriate means in order to check that it is justified and meets the conditions of the respective scheme. 3. As part of the scrutiny referred to in the second subparagraph of paragraph 2 of this Article, the Member State shall initiate a national opposition procedure that ensures adequate publication of the application and that provides for a reasonable period within which any natural or legal person having a legitimate interest and established or resident on its territory may lodge an opposition to the application. The Member State shall examine the admissibility of oppositions received under the scheme set out in Title II in the light of the criteria referred to in Article 10(1), or the admissibility of oppositions received under the scheme set out in Title III in the light of the criteria referred to in Article 21(1). 4. If, after assessment of any opposition received, the Member State considers that the requirements of this Regulation are met, it may take a favourable decision and lodge an application dossier with the Commission. It shall in such case inform the Commission of admissible oppositions received from a natural or legal person that have legally marketed the products in question, using the names concerned continuously for at least five years preceding the date of the publication referred to in paragraph 3. The Member State shall ensure that its favourable decision is made public and that any natural or legal person having a legitimate interest has an opportunity to appeal.	**Article 96 : Preliminary national procedure** 1. Applications for protection of a designation of origin or a geographical indication for wines originating in the Union shall be subject to a preliminary national procedure. 2. The application for protection shall be filed with the Member State in the territory of which the designation of origin or geographical indication originates. 3. The Member State with which the application for protection is filed shall examine it in order to verify whether it meets the conditions set out in this Subsection. That Member State shall carry out a national procedure ensuring adequate publication of the application and providing for a period of at least two months from the date of publication within which any natural or legal person having a legitimate interest and resident or established on its territory may object to the proposed protection by lodging a duly substantiated statement with that Member State. 4. If the Member State assessing the application considers that the designation of origin or the geographical indication does not comply with the conditions laid down in this Subsection or is incompatible with Union law, it shall reject the application. 5. If the Member State assessing the application considers that the requirements are fulfilled, it shall carry out a national procedure which ensures adequate publication of the product specification at least on the Internet and forward the application to the Commission.	**Article 24 : Application for registration of a geographical indication** (…) 5. Where the application relates to a geographical area in a Member State, the application shall be submitted to the authorities of that Member State. The Member State shall scrutinise the application by appropriate means in order to check that it is reasoned and meets the requirements of this Chapter. 6. As part of the scrutiny referred to in the second subparagraph of paragraph 5, the Member State shall initiate a national opposition procedure that ensures adequate publication of the application referred to in paragraph 5 and that provides for a reasonable period within which any natural or legal person having a legitimate interest and resident or established on its territory may submit an opposition to the application. The Member State shall examine the admissibility of any opposition received in accordance with the criteria referred to in Article 28. 7. If, after assessment of any opposition received, the Member State considers that the requirements of this Chapter are met, it may take a favourable decision and submit an application dossier to the Commission. In such a case, it shall inform the Commission of admissible oppositions received from a natural or legal person that has legally marketed the products in question, using the names concerned continuously for at least five years preceding the date of the publication referred to in paragraph 6. Member States shall also keep the Commission informed of any national judicial proceedings that may affect the registration procedure. The Member State shall ensure that where it takes a favourable decision pursuant to the first subparagraph, that decision is made public and that any natural or legal person having a legitimate interest has an opportunity to appeal.

	The Member State shall ensure that the version of the product specification on which its favourable decision is based, is published, and shall provide electronic access to the product specification. With reference to protected designations of origin and protected geographical indications, the Member State shall also ensure adequate publication of the version of the product specification on which the Commission takes its decision pursuant to Article 50(2).		The Member State shall ensure that the version of the product specification on which its favourable decision is based is published, and shall provide electronic access to the product specification. The Member State shall also ensure adequate publication of the version of the product specification on which the Commission takes its decision pursuant to Article 26(2).
33. 13. SCRUTINY BY THE COMMISSION	**Article 50 : Scrutiny by the Commission and publication for opposition** 1. The Commission shall scrutinise by appropriate means any application that it receives pursuant to Article 49, in order to check that it is justified and that it meets the conditions of the respective scheme. This scrutiny should not exceed a period of six months. Where this period is exceeded, the Commission shall indicate in writing to the applicant the reasons for the delay. The Commission shall, at least each month, make public the list of names for which registration applications have been submitted to it, as well as their date of submission. 2. Where, based on the scrutiny carried out pursuant to the first subparagraph of paragraph 1, the Commission considers that the conditions laid down in this Regulation are fulfilled, it shall publish in the Official Journal of the European Union: (a) for applications under the scheme set out in Title II, the single document and the reference to the publication of the product specification; (b) for applications under the scheme set out in Title III, the specification.	**Article 97 : Scrutiny by the Commission** 1. The Commission shall make public the date of submission of the application for protection of the designation of origin or geographical indication. 2. The Commission shall examine whether the applications for protection as referred to in Article 94 meet the conditions laid down in this Subsection. 3. Where the Commission considers that the conditions laid down in this Subsection are met, it shall adopt implementing acts concerning the publication, in the Official Journal of the European Union, of the single document referred to in point (d) of Article 94(1) and of the reference to the publication of the product specification made in the course of the preliminary national procedure. Those implementing acts shall be adopted without applying the procedure referred to in Article 229(2) or (3).	**Article 26 : Scrutiny by the Commission and publication for opposition** 1. The Commission shall scrutinise by appropriate means any application that it receives pursuant to Article 24, in order to check that it is reasoned, that it meets the requirements of this Chapter, and that the interests of stakeholders outside the Member State of application have been taken into account. Such scrutiny shall be based on the single document referred to in point (c) of Article 23(1), shall consist of a check that there are no manifest errors in the application, and, as a general rule, shall not exceed a period of six months. However, where this period is exceeded, the Commission shall immediately indicate in writing to the applicant the reasons for the delay. The Commission shall, at least each month, make public the list of names for which registration applications have been submitted to it, as well as their date of submission. The list shall also contain the name of the Member State or third country from which the application came. 2. Where, based on the scrutiny carried out pursuant to the first subparagraph of paragraph 1, the Commission considers that the requirements of this Chapter are met, it shall publish in the *Official Journal of the European Union* the single document referred to in point (c) of Article 23(1) and the publication reference of the product specification.

34. 14. OBJECTION PROCEDURE	**Article 10 : Grounds for opposition** 1. A reasoned statement of opposition as referred to in Article 51(2) shall be admissible only if it is received by the Commission within the time limit set out in that paragraph and if it: (a) shows that the conditions referred to in Article 5 and Article 7(1) are not complied with; (b) shows that the registration of the name proposed would be contrary to Article 6(2), (3) or (4); (c) shows that the registration of the name proposed would jeopardise the existence of an entirely or partly identical name or of a trade mark or the existence of products which have been legally on the market for at least five years preceding the date of the publication provided for in point (a) of Article 50(2); or (d) gives details from which it can be concluded that the name for which registration is requested is a generic term. 2. The grounds for opposition shall be assessed in relation to the territory of the Union. **Article 51.1 : Opposition procedure** 1. Within three months from the date of publication in the Official Journal of the European Union, the authorities of a Member State or of a third country, or a natural or legal person having a legitimate interest and established in a third country may lodge a notice of opposition with the Commission. Any natural or legal person having a legitimate interest, established or resident in a Member State other than that from which the application was submitted, may lodge a notice of opposition with the Member State in which it is established within a time limit permitting an opposition to be lodged pursuant to the first subparagraph. A notice of opposition shall contain a declaration that the application might infringe the conditions laid down in this Regulation. A notice of opposition that does not contain this declaration is void.	**Article 98 : Objection procedure** Within two months from the date of the publication of the single document as referred to in point (d) of Article 94(1), any Member State or third country, or any natural or legal person having a legitimate interest and resident or established in a Member State other than that applying for the protection or in a third country, may object to the proposed protection by submitting to the Commission a duly substantiated statement concerning the conditions of eligibility as laid down in this Subsection. In the case of natural or legal persons resident or established in third countries, such a statement shall be submitted, either directly or via the authorities of the third country concerned, within the two month period referred to in the first paragraph.	**Article 27 : Opposition procedure** 1. Within three months from the date of publication in the *Official Journal of the European Union*, the authorities of a Member State or of a third country, or a natural or legal person having a legitimate interest and resident or established in a third country may submit a notice of opposition to the Commission. Any natural or legal person having a legitimate interest and resident or established in a Member State other than that from which the application was submitted, may submit a notice of opposition to the Member State in which that person is resident or established within a time limit permitting an opposition to be submitted pursuant to the first subparagraph. A notice of opposition shall contain a declaration that the application might infringe the requirements of this Chapter. A notice of opposition that does not contain such a declaration shall be void. The Commission shall forward the notice of opposition without delay to the authority or body that submitted the application. 2. If a notice of opposition is submitted to the Commission and is followed within two months by a reasoned statement of opposition, the Commission shall check the admissibility of this reasoned statement of opposition. 3. Within two months from the receipt of an admissible reasoned statement of opposition, the Commission shall invite the authority or person that submitted the opposition and the authority or body that submitted the application to engage in appropriate consultations for a period that shall not exceed three months. That deadline shall start on the date when the invitation to the interested parties is delivered by electronic means.

35. 15. OPPOSITION PROCEDURE (CONTINUED)	**Article 51 : Opposition procedure** The Commission shall forward the notice of opposition to the authority or body that lodged the application without delay. 2. If a notice of opposition is lodged with the Commission and is followed within two months by a reasoned statement of opposition, the Commission shall check the admissibility of this reasoned statement of opposition. 3. Within two months after the receipt of an admissible reasoned statement of opposition, the Commission shall invite the authority or person that lodged the opposition and the authority or body that lodged the application to engage in appropriate consultations for a reasonable period that shall not exceed three months. The authority or person that lodged the opposition and the authority or body that lodged the application shall start such appropriate consultations without undue delay. They shall provide each other with the relevant information to assess whether the application for registration complies with the conditions of this Regulation. If no agreement is reached, this information shall also be provided to the Commission. At any time during these three months, the Commission may, at the request of the applicant extend the deadline for the consultations by a maximum of three months. 4. Where, following the appropriate consultations referred to in paragraph 3 of this Article, the details published in accordance with Article 50(2) have been substantially amended, the Commission shall repeat the scrutiny referred to in Article 50. 5. The notice of opposition, the reasoned statement of opposition and the related documents which are sent to the Commission in accordance with paragraphs 1 to 4 of this Article shall be in one of the official languages of the Union.		The authority or person that submitted the opposition and the authority or body that submitted the application shall start such appropriate consultations without undue delay. They shall provide each other with the relevant information to assess whether the application for registration complies with the requirements of this Chapter. If no agreement is reached, that information shall also be provided to the Commission. **Article 28 : Grounds for opposition** 1. A reasoned statement of opposition as referred to in Article 27(2) shall be admissible only if it is received by the Commission within the time limit set out in that Article and if it shows that: (a) the proposed geographical indication does not comply with the definition in point (4) of Article 3 or with the requirements referred to in Article 22; (b) the registration of the proposed geographical indication would be contrary to Article 34 or 35; (c) the registration of the proposed geographical indication would jeopardise the existence of an entirely or partly identical name or of a trade mark or the existence of products which have been legally on the market for at least five years preceding the date of the publication provided for in Article 26(2); or (d) the requirements referred to in Articles 31 and 32 are not complied with. 2. The grounds for opposition shall be assessed in relation to the territory of the Union.

	6. In order to establish clear procedures and deadlines for opposition, the Commission shall be empowered to adopt delegated acts, in accordance with Article 56, complementing the rules of the opposition procedure. The Commission may adopt implementing acts laying down detailed rules on procedures, form and presentation of the oppositions. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 57(2).		

36. 16. DECISION ON REGISTRATION	**Article 52 : Decision on registration** 1. Where, on the basis of the information available to the Commission from the scrutiny carried out pursuant to the first subparagraph of Article 50(1), the Commission considers that the conditions for registration are not fulfilled, it shall adopt implementing acts rejecting the application. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 57(2). 2. If the Commission receives no notice of opposition or no admissible reasoned statement of opposition under Article 51, it shall adopt implementing acts, without applying the procedure referred to in Article 57(2), registering the name. 3. If the Commission receives an admissible reasoned statement of opposition, it shall, following the appropriate consultations referred to in Article 51(3), and taking into account the results thereof, either: (a) if an agreement has been reached, register the name by means of implementing acts adopted without applying the procedure referred to in Article 57(2), and, if necessary, amend the information published pursuant to Article 50(2) provided such amendments are not substantial; or (b) if an agreement has not been reached, adopt implementing acts deciding on the registration. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 57(2). 4. Acts of registration and decisions on rejection shall be published in the *Official Journal of the European Union*.	**Article 97.4 : Scrutiny by the Commission** 4. Where the Commission considers that the conditions laid down in this Subsection are not met, it shall adopt implementing acts rejecting the application. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2). **Article 99 : Decision on protection** On the basis of the information available to the Commission upon the completion of the objection procedure referred to in Article 98, the Commission shall adopt implementing acts either conferring protection on the designation of origin or geographical indication which meets the conditions laid down in this Subsection and is compatible with Union law, or rejecting the application where those conditions are not met. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2). **Article 229 : Committee procedure** 2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.	**Article 30 *:* Decision on registration** 1. Where, on the basis of the information available to the Commission from the scrutiny carried out pursuant to the first subparagraph of Article 26(1), the Commission considers that the conditions for the registration of a proposed geographical indication are not fulfilled, it shall inform the Member State or third country applicant concerned of the reasons for rejection and shall give it two months to submit observations. If the Commission receives no observations or if, despite the observations received, it still considers that the conditions for registration are not fulfilled it shall, by means of implementing acts, reject the application unless the application is withdrawn. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 47(2). 2. If the Commission receives no notice of opposition or no admissible reasoned statement of opposition under Article 27, it shall adopt implementing acts, without applying the procedure referred to in Article 47(2), to register the name. 3. If the Commission receives an admissible reasoned statement of opposition, it shall, following the appropriate consultations referred to in Article 27(3), and taking into account the results thereof, either: (a) if an agreement has been reached, register the name by means of implementing acts adopted without applying the procedure referred to in Article 47(2), and, if necessary, amend the information published pursuant to Article 26(2) provided such amendments are not substantial; or (b) if an agreement has not been reached, adopt implementing acts deciding on the registration. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 47(2). 4. Acts of registration and decisions on rejection shall be published in the *Official Journal of the European Union*. The act of registration shall grant the protection referred to in Article 21 to the geographical indication.

			Article 47 Committee procedure 1. The Commission shall be assisted by the Committee for Spirit Drinks established by Regulation (EEC) No 1576/89. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011. 2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

37. 17. HOMONYMS	**Article 6 : Generic nature, conflicts with names of plant varieties and animal breeds, with homonyms and trade marks** (…) 2. A name may not be registered as a designation of origin or geographical indication where it conflicts with a name of a plant variety or an animal breed and is likely to mislead the consumer as to the true origin of the product. 3. A name proposed for registration that is wholly or partially homonymous with a name already entered in the register established under Article 11 may not be registered unless there is sufficient distinction in practice between the conditions of local and traditional usage and presentation of the homonym registered subsequently and the name already entered in the register, taking into account the need to ensure equitable treatment of the producers concerned and that consumers are not misled. A homonymous name which misleads the consumer into believing that products come from another territory shall not be registered even if the name is accurate as far as the actual territory, region or place of origin of the products in question is concerned.	**Article 100 : Homonyms** 1. A name for which an application is submitted and which is wholly or partially homonymous with a name already registered under this Regulation shall be registered with due regard to local and traditional usage and any risk of confusion. A homonymous name which misleads the consumer into believing that products come from another territory shall not be registered even if the name is accurate as far as the actual territory, region or place of origin of those products is concerned. A registered homonymous name may be used only if there is a sufficient distinction in practice between the homonym registered subsequently and the name already in the register, having regard to the need to treat the producers concerned in an equitable manner and the need to avoid misleading the consumer. 2. Paragraph 1 shall apply mutatis mutandis if a name for which an application is submitted is wholly or partially homonymous with a geographical indication protected under the national law of Member States. 3. Where the name of a wine grape variety contains or consists of a protected designation of origin or a protected geographical indication, that name shall not be used for the purposes of labelling agricultural products. In order to take into account existing labelling practices, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down exceptions from that rule. 4. The protection of designations of origin and geographical indications of products covered by Article 93 of this Regulation shall be without prejudice to protected geographical indications applying to spirit drinks as defined in Article 2 of Regulation (EC) No 110/2008 of the European Parliament and of the Council.	**Article 34 : Homonymous geographical indications** 1. If a name for which an application is submitted is a whole or partial homonym of a name already registered under this Regulation, the name shall be registered with due regard to local and traditional usage and any risk of confusion. 2. A homonymous name which misleads the consumer into believing that products come from another territory shall not be registered even if the name is accurate as far as the actual territory, region or place of origin of those products is concerned. 3. The use of a registered homonymous geographical indication shall be subject to there being a sufficient distinction in practice between the homonym registered subsequently and the name already in the register, having regard to the need to treat the producers concerned in an equitable manner and not to mislead the consumer. 4. The protection of geographical indications of spirit drinks referred to in Article 21 of this Regulation shall be without prejudice to the protected geographical indications and designations of origin of products under Regulations (EU) No 1308/2013 and (EU) No 251/2014.

38. 18. GENERIC TERMS	**Article 6.1 : Generic nature, conflicts with names of plant varieties and animal breeds, with homonyms and trade marks** 1. Generic terms shall not be registered as protected designations of origin or protected geographical indications. **Article 41 : Generic terms** 1. Without prejudice to Article 13, this Regulation shall not affect the use of terms that are generic in the Union, even if the generic term is part of a name that is protected under a quality scheme. 2. To establish whether or not a term has become generic, account shall be taken of all relevant factors, in particular: (a) the existing situation in areas of consumption; (b) the relevant national or Union legal acts. (…)	**Article 101 : Additional grounds for refusal of protection** 1. A name that has become generic shall not be protected as a designation of origin or a geographical indication. For the purposes of this Section, a "name that has become generic" means the name of a wine which, although it relates to the place or the region where this product was originally produced or marketed, has become the common name of a wine in the Union. To establish whether or not a name has become generic, the relevant factors shall be taken into account, in particular: (a) the existing situation in the Union, notably in areas of consumption; (b) the relevant Union or national law. 2. A name shall not be protected as a designation of origin or geographical indication where, in the light of a trade mark's reputation and renown, protection could mislead the consumer as to the true identity of the wine.	**Article 21 *:* Protection of geographical indications** 3. Geographical indications protected under this Regulation shall not become generic in the Union. **Article 35 : Specific grounds for refusal of protection** 1. A generic name shall not be protected as a geographical indication. To establish whether or not a name has become a generic name, account shall be taken of all relevant factors, in particular: (a) the existing situation in the Union, in particular in areas of consumption; (b) the relevant Union or national legislation.

19. RELATIONSHIP WITH TRADE MARKS	**Article 6.4 : (…) Conflicts (…) with trade marks** 4. A name proposed for registration as a designation of origin or geographical indication shall not be registered where, in the light of a trade mark's reputation and renown and the length of time it has been used, registration of the name proposed as the designation of origin or geographical indication would be liable to mislead the consumer as to the true identity of the product. **Article 14 : Relations between trade marks, designations of origin and geographical indications** 1. Where a designation of origin or a geographical indication is registered under this Regulation, the registration of a trade mark the use of which would contravene Article 13(1) and which relates to a product of the same type shall be refused if the application for registration of the trade mark is submitted after the date of submission of the registration application in respect of the designation of origin or the geographical indication to the Commission. Trade marks registered in breach of the first subparagraph shall be invalidated. The provisions of this paragraph shall apply notwithstanding the provisions of Directive 2008/95/EC. 2. Without prejudice to Article 6(4), a trade mark the use of which contravenes Article 13(1) which has been applied for, registered, or established by use if that possibility is provided for by the legislation concerned, in good faith within the territory of the Union, before the date on which the application for protection of the designation of origin or geographical indication is submitted to the Commission, may continue to be used and renewed for that product notwithstanding the registration of a designation of origin or geographical indication, provided that no grounds for its invalidity or revocation exist under Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (1) or under Directive 2008/95/EC. In such cases, the use of the protected designation of origin or protected geographical indication shall be permitted as well as use of the relevant trade marks. **Article 43 : Relation to intellectual property** The quality schemes described in Titles III and IV shall apply without prejudice to Union rules or to those of Member States governing intellectual property, and in particular to those concerning designations of origin and geographical indications and trade marks, and rights	**Article 102 : Relationship with trade marks** 1. The registration of a trade mark that contains or consists of a protected designation of origin or a geographical indication which does not comply with the product specification concerned or the use of which falls under Article 103(2), and that relates to a product falling under one of the categories listed in Part II of Annex VII shall be: (a) refused if the application for registration of the trade mark is submitted after the date of submission of the application for protection of the designation of origin or geographical indication to the Commission and the designation of origin or geographical indication is subsequently protected; or (b) invalidated. 2. Without prejudice to Article 101(2), a trade mark referred to in paragraph 1 of this Article which has been applied for, registered or established by use in good faith, if that possibility is provided for by the law concerned, in the territory of the Union either before the date of protection of the designation of origin or geographical indication in the country of origin, or before 1 January 1996, may continue to be used and renewed notwithstanding the protection of a designation of origin or geographical indication, provided that no grounds for the trade mark's invalidity or revocation exist under Directive 2008/95/EC of the European Parliament and of the Council (1) or under Council Regulation (EC) No 207/2009 (2). In such cases, the use of the designation of origin or geographical indication shall be permitted alongside the relevant trade marks.	**Article 36 : Relationship between trade marks and geographical indications** 1. The registration of a trade mark the use of which corresponds or would correspond to one or more of the situations referred to in Article 21(2) shall be refused or invalidated. 2. A trade mark the use of which corresponds to one or more of the situations referred to in Article 21(2), which has been applied for, registered, or established by use, if that possibility is provided for by the legislation concerned, in good faith within the territory of the Union, before the date on which the application for protection of the geographical indication was submitted to the Commission, may continue to be used and renewed notwithstanding the registration of a geographical indication, provided that no grounds for its invalidity or revocation exist under Directive (EU) 2015/2436 of the European Parliament and of the Council (10) or Regulation (EU) 2017/1001 of the European Parliament and of the Council (11).

40. 20. PROTECTION	**Article 13 : Protection** 1. Registered names shall be protected against: (a) any direct or indirect commercial use of a registered name in respect of products not covered by the registration where those products are comparable to the products registered under that name or where using the name exploits the reputation of the protected name, including when those products are used as an ingredient; (b) any misuse, imitation or evocation, even if the true origin of the products or services is indicated or if the protected name is translated or accompanied by an expression such as 'style', 'type', 'method', 'as produced in', 'imitation' or similar, including when those products are used as an ingredient; (c) any other false or misleading indication as to the provenance, origin, nature or essential qualities of the product that is used on the inner or outer packaging, advertising material or documents relating to the product concerned, and the packing of the product in a container liable to convey a false impression as to its origin; (d) any other practice liable to mislead the consumer as to the true origin of the product. Where a protected designation of origin or a protected geographical indication contains within it the name of a product which is considered to be generic, the use of that generic name shall not be considered to be contrary to points (a) or (b) of the first subparagraph. 2. Protected designations of origin and protected geographical indications shall not become generic. (…)	**Article 103 : Protection** (…) 2. A protected designation of origin and a protected geographical indication, as well as the wine using that protected name in conformity with the product specifications, shall be protected against: (a) any direct or indirect commercial use of that protected name: (i) by comparable products not complying with the product specification of the protected name; or (ii) in so far as such use exploits the reputation of a designation of origin or a geographical indication; (b) any misuse, imitation or evocation, even if the true origin of the product or service is indicated or if the protected name is translated, transcripted or transliterated or accompanied by an expression such as "style", "type", "method", "as produced in", "imitation", "flavour", "like" or similar; (c) any other false or misleading indication as to the provenance, origin, nature or essential qualities of the product, on the inner or outer packaging, advertising material or documents relating to the wine product concerned, as well as the packing of the product in a container liable to convey a false impression as to its origin; (d) any other practice liable to mislead the consumer as to the true origin of the product. 3. Protected designations of origin and protected geographical indications shall not become generic in the Union within the meaning of Article 101(1).	**Article 1 : Subject matter and scope** (…) 3. As regards the protection of geographical indications, Chapter III of this Regulation also applies to goods entering the customs territory of the Union without being released for free circulation there. **Article 21 : Protection of geographical indications** 1. Geographical indications protected under this Regulation may be used by any operator marketing a spirit drink produced in conformity with the corresponding product specification. 2. Geographical indications protected under this Regulation shall be protected against: (a) any direct or indirect commercial use of a registered name in respect of products not covered by the registration where those products are comparable to the products registered under that name or where using the name exploits the reputation of the protected name, including where those products are used as an ingredient; (b) any misuse, imitation or evocation, even if the true origin of the products or services is indicated or if the protected name is translated or accompanied by an expression such as 'style', 'type', 'method', 'as produced in', 'imitation', 'flavour', 'like' or similar, including when those products are used as an ingredient; (c) any other false or misleading indication as to the provenance, origin, nature or essential qualities of the product in the description, presentation or labelling of the product liable to convey a false impression as to the origin of the product; (d) any other practice liable to mislead the consumer as to the true origin of the product. 3. Geographical indications protected under this Regulation shall not become generic in the Union. 4. The protection referred to in paragraph 2 shall also apply with regard to goods entering the customs territory of the Union without being released for free circulation there.

41. 21. REGISTER	**Article 11 : Register of PDOs and PGIs** 1. The Commission shall adopt implementing acts, without applying the procedure referred to in Article 57(2), establishing and maintaining a publicly accessible updated register of protected designations of origin and protected geographical indications recognised under this scheme. 2. Geographical indications pertaining to products of third countries that are protected in the Union under an international agreement to which the Union is a contracting party may be entered in the register. Unless specifically identified in the said agreement as protected designations of origin under this Regulation, such names shall be entered in the register as protected geographical indications. 3. The Commission may adopt implementing acts laying down detailed rules on the form and content of the register. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 57(2). 4. The Commission shall make public and regularly update the list of the international agreements referred to in paragraph 2 as well as the list of geographical indications protected under those agreements.	**Article 104 : Register** The Commission shall establish and maintain an electronic register of protected designations of origin and protected geographical indications for wine which shall be publicly accessible. Designations of origin and geographical indications pertaining to products of third countries that are protected in the Union pursuant to an international agreement to which the Union is a contracting party may be entered in the register. Unless specifically identified in that agreement as protected designations of origin within the meaning of this Regulation, such names shall be entered in the register as protected geographical indications.	**Article 33 : Register of geographical indications of spirit drinks** 1. The Commission shall adopt, by 8 June 2021, delegated acts in accordance with Article 46 supplementing this Regulation by establishing a publicly accessible electronic register, which is kept up to date, of geographical indications of spirit drinks recognised under this scheme ('the register'). 2. The name of a geographical indication shall be registered in its original script. Where the original script is not in Latin characters, a transcription or transliteration in Latin characters shall be registered together with the name in its original script. For geographical indications registered under this Chapter, the register shall provide direct access to the single documents and shall also contain the publication reference of the product specification. For geographical indications registered before 8 June 2019, the register shall provide direct access to the main specifications of the technical file as set out in Article 17(4) of Regulation (EC) No 110/2008. The Commission shall adopt delegated acts in accordance with Article 46 supplementing this paragraph by laying down further detailed rules on the form and content of the register. 3. Geographical indications of spirit drinks produced in third countries that are protected in the Union pursuant to an international agreement to which the Union is a contracting party may be entered in the register as geographical indications.

42. 22. AMENDMENTS TO PRODUCT SPECIFICATIONS	**Article 53 : Amendment to a product specification** 1. A group having a legitimate interest may apply for approval of an amendment to a product specification. Applications shall describe and give reasons for the amendments requested. 2. Where the amendment involves one or more amendments to the specification that are not minor, the amendment application shall follow the procedure laid down in Articles 49 to 52. However, if the proposed amendments are minor, the Commission shall approve or reject the application. In the event of the approval of amendments implying a modification of the elements referred to in Article 50(2), the Commission shall publish those elements in the Official Journal of the European Union. For an amendment to be regarded as minor in the case of the quality scheme described in Title II, it shall not: (a) relate to the essential characteristics of the product; (b) alter the link referred to in point (f)(i) or (ii) of Article 7(1); (c) include a change to the name, or to any part of the name of the product; (d) affect the defined geographical area; or (e) represent an increase in restrictions on trade in the product or its raw materials. For an amendment to be regarded as minor in the case of the quality scheme described in Title III, it shall not: (a) relate to the essential characteristics of the product; (b) introduce essential changes to the production method; or (c) include a change to the name, or to any part of the name of the product.	**Article 105 : Amendments to product specifications** An applicant satisfying the conditions laid down in Article 95 may apply for approval of an amendment to the product specification of a protected designation of origin or of a protected geographical indication, in particular to take account of developments in scientific and technical knowledge or to redemarcate the geographical area referred to in point (d) of the second subparagraph of Article 94(2). Applications shall describe and state reasons for the amendments requested.	**Article 31 : Amendment to a product specification** 1. Any group having a legitimate interest may apply for approval of an amendment to a product specification. Applications shall describe and give reasons for the amendments requested. 2. Amendments to a product specification shall be classified into two categories as regards their importance: (a) Union amendments requiring an opposition procedure at Union level; (b) standard amendments to be dealt with at Member State or third country level. 3. An amendment shall be considered a Union amendment if it: (a) includes a change in the name or any part of the name of the geographical indication registered under this Regulation; (b) consists of a change of the legal name or the category of the spirit drink; (c) risks voiding the given quality, reputation or other characteristic of the spirit drink that is essentially attributable to its geographical origin; or (d) entails further restrictions on the marketing of the product. Any other amendments shall be considered standard amendments. A standard amendment shall also be considered a temporary amendment when it concerns a temporary change in the product specification resulting from the imposition of obligatory sanitary and phytosanitary measures by the public authorities or is linked to natural disasters or adverse weather conditions formally recognised by the competent authorities. 4. Union amendments shall be approved by the Commission. The approval procedure shall follow, mutatis mutandis, the procedure laid down in Article 24 and Articles 26 to 30. Applications for Union amendments submitted by a third country or by third country producers shall contain proof that the requested amendment complies with the laws applicable in that third country to the protection of geographical indications.

	The scrutiny of the application shall focus on the proposed amendment. (…)		5. Standard amendments shall be approved by the Member State in whose territory the geographical area of the product concerned is located. As regards third countries, amendments shall be approved in accordance with the law applicable in the third country concerned. 6. The scrutiny of the application for amendment shall only address the proposed amendment.
43. 23. CANCELLATION	**Article 54 : Cancellation** 1. The Commission may, on its own initiative or at the request of any natural or legal person having a legitimate interest, adopt implementing acts to cancel the registration of a protected designation of origin or of a protected geographical indication or of a traditional speciality guaranteed in the following cases: (a) where compliance with the conditions of the specification is not ensured; (b) where no product is placed on the market under the traditional speciality guaranteed, the protected designation of origin or the protected geographical indication for at least seven years. The Commission may, at the request of the producers of product marketed under the registered name, cancel the corresponding registration. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 57(2). (…)	**Article 106 : Cancellation** The Commission may, on its own initiative or on a duly substantiated request by a Member State, a third country or a natural or legal person having a legitimate interest, adopt implementing acts cancelling the protection of a designation of origin or a geographical indication if compliance with the corresponding product specification is no longer ensured. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).	**Article 32 : Cancellation** 1. The Commission may, on its own initiative or at the request of any natural or legal person having a legitimate interest, adopt implementing acts to cancel the registration of a geographical indication in either of the following cases: (a) where compliance with the requirements for the product specification can no longer be ensured; (b) where no product has been placed on the market under the geographical indication for at least seven consecutive years. Articles 24, 26, 27, 28 and 30 shall apply *mutatis mutandis* to the cancellation procedure. 2. Notwithstanding paragraph 1, the Commission may, at the request of the producers of the spirit drink marketed under the registered geographical indication, adopt implementing acts cancelling the corresponding registration. 3. In the cases referred to in paragraphs 1 and 2, before adopting the implementing act, the Commission shall consult the authorities of the Member State, the authorities of the third country or, where possible, the third country producer which had originally applied for the registration of the geographical indication concerned, unless the cancellation is directly requested by those original applicants. 4. The implementing acts referred to in this Article shall be adopted in accordance with the examination procedure referred to in Article 47(2).

44. 24. EXISTING PROTECTED NAMES		**Article 107 : Existing protected wine names** 1. Wine names referred to in Articles 51 and 54 of Council Regulation (EC) No 1493/1999 (3) and Article 28 of Commission Regulation (EC) No 753/2002 (4) shall be automatically protected under this Regulation. The Commission shall list them in the register provided for in Article 104 of this Regulation. 2. The Commission shall take the corresponding formal step of removing wine names to which Article 118s(3) of Regulation (EC) No 1234/2007 applies from the register provided for in Article 104 of this Regulation by means of implementing acts adopted without applying the procedure referred to in Article 229(2) or (3) of this Regulation. 3. Article 106 shall not apply to existing protected wine names referred to in paragraph 1 of this Article. Until 31 December 2014, the Commission may, on its own initiative, adopt implementing acts cancelling the protection of existing protected wine names referred to in paragraph 1 of this Article if they do not meet the conditions laid down in Article 93. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2). 4. For Croatia, the wine names published in the Official Journal of the European Union (1) shall be protected under this Regulation, subject to a favourable outcome of the objection procedure. The Commission shall list them in the register provided for in Article 104.	**Article 37 *:* Existing registered geographical indications** Geographical indications of spirit drinks registered in Annex III to Regulation (EC) No 110/2008 and thus protected under that Regulation shall automatically be protected as geographical indications under this Regulation. The Commission shall list them in the register referred to in Article 33 of this Regulation.

45. 25. FEES, COSTS, AND FINANCING	**Article 47 : Fees** Without prejudice to Regulation (EC) No 882/2004 and in particular the provisions of Chapter VI of Title II thereof, Member States may charge a fee to cover their costs of managing the quality schemes, including those incurred in processing applications, statements of opposition, applications for amendments and requests for cancellations provided for in this Regulation. **Article 44.2 : Protection of indications and symbols** 2. In accordance with Article 5 of Regulation (EC) No 1290/2005, the European Agricultural Fund for Rural Development (EAFRD) may, on the initiative of the Commission or on its behalf, finance, on a centralised basis, administrative support concerning the development, preparatory work, monitoring, administrative and legal support, legal defence, registration fees, renewal fees, trade mark watching fees, litigation fees and any other related measure required to protect the use of the indications, abbreviations and symbols referring to the quality schemes from misuse, imitation, evocation or any other practice liable to mislead the consumer, within the Union and in third countries.	**Article 108 : Fees** Member States may charge fees to cover their costs, including those incurred in examining the applications for protection, statements of objections, applications for amendments and requests for cancellations under this Subsection.	**Article 38 *:* Verification of compliance with the product specification** 1. Member States shall draw up and keep up to date a list of operators that produce spirit drinks with a geographical indication registered under this Regulation. 2. In respect of the geographical indications that designate spirit drinks originating within the Union registered under this Regulation, verification of compliance with the product specification referred to in Article 22, before placing the product on the market, shall be carried out by: (a) one or more competent authorities referred to in Article 43(1); or (b) control bodies within the meaning of point 5 of the second subparagraph of Article 2 of Regulation (EC) No 882/2004, operating as a product certification body. Where a Member State applies Article 24(2), verification of compliance with the product specification shall be ensured by an authority other than that deemed to be a group under that paragraph. Notwithstanding the national law of Member States, the costs of such verification of compliance with the product specification may be borne by the operators which are subject to those controls.

46. 26. LABELLING, USE OF INDICATIONS AND SYMBOLS	**Article 12 : Names, symbols and indications** (…) 3. In the case of products originating in the Union that are marketed under a protected designation of origin or a protected geographical indication registered in accordance with the procedures laid down in this Regulation, the Union symbols associated with them shall appear on the labelling. In addition, the registered name of the product should appear in the same field of vision. The indications 'protected designation of origin' or 'protected geographical indication' or the corresponding abbreviations 'PDO' or 'PGI' may appear on the labelling. 4. In addition, the following may also appear on the labelling: depictions of the geographical area of origin, as referred to in Article 5, and text, graphics or symbols referring to the Member State and/or region in which that geographical area of origin is located. **Article 44 : Protection of indications and symbols** 1. Indications, abbreviations and symbols referring to the quality schemes may only be used in connection with products produced in conformity with the rules of the quality scheme to which they apply. (…) **Article 59 : Entry into force** (…) However, Article 12(3) and Article 23(3) shall apply from 4 January 2016, without prejudice to products already placed on the market before that date. (…)	**Article 119 : Compulsory particulars** 1. Labelling and presentation of the products referred to in points 1 to 11, 13, 15 and 16 of Part II of Annex VII marketed in the Union or for export shall contain the following compulsory particulars: (a) the designation for the category of the grapevine product in accordance with Part II of Annex VII; (b) for wines with a protected designation of origin or a protected geographical indication: (i) the term "protected designation of origin" or "protected geographical indication"; and (ii) the name of the protected designation of origin or the protected geographical indication; (…) 3. By way of derogation from point (b) of paragraph 1, the reference to the terms "protected designation of origin" or "protected geographical indication" may be omitted in the following cases: (a) where a traditional term in accordance with point (a) of Article 112 is displayed on the label in accordance with the product specification referred to in Article 94(2); (b) in exceptional and duly justified circumstances to be determined by the Commission by means of delegated acts adopted in accordance with Article 227 in order to ensure compliance with existing labelling practices. **Article 120 : Optional particulars** 1. Labelling and presentation of the products referred to in points 1 to 11, 13, 15 and 16 of Part II of Annex VII may, in particular, contain the following optional particulars: (…) (d) for wines with a protected designation of origin or a protected geographical indication, traditional terms in accordance with point (b) of Article 112; (e) the Union symbol indicating the protected designation of origin or the protected geographical indication; (…) (g) for wines bearing a protected designation of origin or a protected geographical indication, the name of another geographical unit that is smaller or larger than the area underlying the designation of origin or geographical indication	**Article 10 *:* Legal names of spirit drinks** 1. The name of a spirit drink shall be its legal name. Spirit drinks shall bear legal names in their description, presentation and labelling. Legal names shall be shown clearly and visibly on the label of the spirit drink and shall not be replaced or altered. 2. Spirit drinks that comply with the requirements of a category of spirit drinks set out in Annex I shall use the name of that category as their legal name, unless that category permits the use of another legal name. (…) 5. Notwithstanding paragraphs 1 and 2 of this Article, the legal name of a spirit drink may be: (a) supplemented or replaced by a geographical indication referred to in Chapter III. In this case, the geographical indication may be supplemented further by any term permitted by the relevant product specification, provided that this does not mislead the consumer; and (b) replaced by a compound term that includes the term 'liqueur' or 'cream', provided that the final product complies with the requirements of category 33 of Annex I. (…) 7. Without prejudice to Articles 11 and 12 and Article 13(2), (3) and (4), the use of the legal names referred to in paragraph 2 of this Article or geographical indications in the description, presentation or labelling of any beverage not complying with the requirements of the relevant category set out in Annex I or of the relevant geographical indication shall be prohibited. That prohibition shall also apply where such legal names or geographical indications are used in conjunction with words or phrases such as 'like', 'type', 'style', 'made', 'flavour' or any other similar terms.

			Article 16 : Use of a Union symbol for geographical indications The Union symbol for protected geographical indications established pursuant to Article 12(7) of Regulation (EU) No 1151/2012 may be used in the description, presentation and labelling of spirit drinks the names of which are geographical indications.
47. 27. DESIGNATION OF COMPETENT AUTHORITY FOR CONTROLS	**Article 36 : Content of official controls** 3. Official controls performed in accordance with Regulation (EU) 2017/625 of the European Parliament and of the Council shall cover: (a) verification that a product complies with the corresponding product specification; and (b) monitoring of the use of registered names to describe product placed on the market, in conformity with Article 13 for names registered under Title II and in conformity with Article 24 for names registered under Title III.		**Article 38 : Verification of compliance with the product specification** (…) 2. In respect of the geographical indications that designate spirit drinks originating within the Union registered under this Regulation, verification of compliance with the product specification referred to in Article 22, before placing the product on the market, shall be carried out by: (a) one or more competent authorities referred to in Article 43(1); or (b) control bodies within the meaning of point 5 of the second subparagraph of Article 2 of Regulation (EC) No 882/2004, operating as a product certification body. Where a Member State applies Article 24(2), verification of compliance with the product specification shall be ensured by an authority other than that deemed to be a group under that paragraph. Notwithstanding the national law of Member States, the costs of such verification of compliance with the product specification may be borne by the operators which are subject to those controls. **Article 43 : Checks on spirit drinks** 1. Member States shall be responsible for checks on spirit drinks. They shall take the measures necessary to ensure compliance with this Regulation and designate the competent authorities responsible for ensuring this Regulation is complied with.

48. 28. VERIFICATION OF COMPLIANCE AND SURVEILLANCE ON THE MARKET	**Article 13.3 : Protection** 3. Member States shall take appropriate administrative and judicial steps to prevent or stop the unlawful use of protected designations of origin and protected geographical indications, as referred to in paragraph 1, that are produced or marketed in that Member State. To that end Member States shall designate the authorities that are responsible for taking these steps in accordance with procedures determined by each individual Member State. These authorities shall offer adequate guarantees of objectivity and impartiality, and shall have at their disposal the qualified staff and resources necessary to carry out their functions. **Article 37 : Verification of compliance with product specification** 1. In respect of protected designations of origin, protected geographical indications and traditional specialities guaranteed that designate products originating within the Union, verification of compliance with the product specification, before placing the product on the market, shall be carried out by: (a) the competent authorities designated in accordance with Article 4 of Regulation (EU) 2017/625; or (b) delegated bodies as defined in Article 3(5) of Regulation (EU) 2017/625; The costs of such verification of compliance with the specifications may be borne by the operators that are subject to those controls. The Member States may also contribute to these costs. .		**Article 38 *:* Verification of compliance with the product specification** 1. Member States shall draw up and keep up to date a list of operators that produce spirit drinks with a geographical indication registered under this Regulation. 2. In respect of the geographical indications that designate spirit drinks originating within the Union registered under this Regulation, verification of compliance with the product specification referred to in Article 22, before placing the product on the market, shall be carried out by: (a) one or more competent authorities referred to in Article 43(1); or (b) control bodies within the meaning of point 5 of the second subparagraph of Article 2 of Regulation (EC) No 882/2004, operating as a product certification body. Where a Member State applies Article 24(2), verification of compliance with the product specification shall be ensured by an authority other than that deemed to be a group under that paragraph. Notwithstanding the national law of Member States, the costs of such verification of compliance with the product specification may be borne by the operators which are subject to those controls. 3. In respect of the geographical indications that designate spirit drinks originating within a third country registered under this Regulation, verification of compliance with the product specification, before placing the product on the market, shall be carried out by: (a) a public competent authority designated by the third country; or (b) a product certification body. 4. Member States shall make public the names and addresses of the competent authorities and bodies referred to in paragraph 2, and update that information periodically.

	2. In respect of designations of origin, geographical indications and traditional specialities guaranteed that designate products originating in a third country, the verification of compliance with the specifications before placing the product on the market shall be carried out by: (a) one or more of the public authorities designated by the third country; and/or (b) one or more of the product certification bodies 3. The Commission shall make public the name and address of the authorities and bodies referred to in paragraph 2 of this Article and update that information periodically. **Article 39 Delegated bodies performing controls in third countries** The delegated bodies performing controls in the third countries referred to in paragraph 2(b) of Article 37 shall be accredited to the relevant harmonised standard for "Conformity assessment- Requirements for bodies certifying products, processes and services". These delegated bodies may be accredited either by a national accreditation body outside the Union, in accordance with Regulation (EC) No 765/2008, or by an accreditation body outside the Union that is a signatory of a multilateral recognition arrangement under the auspices of the International Accreditation Forum. 4. The Commission may adopt implementing acts, without applying the procedure referred to in Article 57(2), defining the means by which the name and address of product certification bodies referred to in paragraph 2 of this Article shall be made public.		The Commission shall make public the name and address of the competent authorities and bodies referred to in paragraph 3 and update that information periodically. 5. The control bodies referred to in point (b) of paragraph 2 and the product certification bodies referred to in point (b) of paragraph 3 shall comply with and be accredited in accordance with European standard ISO/IEC 17065:2012 or any applicable future revision or amended version thereof. 6. The competent authorities referred to in paragraphs 2 and 3 that verify compliance of the geographical indication protected under this Regulation with the product specification shall be objective and impartial. They shall have at their disposal the qualified staff and resources necessary to carry out their tasks. **Article 39 Surveillance of the use of names in the market place** 1. Member States shall carry out checks, based on a risk analysis, as regards the use, in the market place, of the geographical indications registered under this Regulation and shall take all necessary measures in the event of breaches of the requirements of this Chapter. 2. Member States shall take appropriate administrative and judicial steps to prevent or stop the unlawful use of the names of products or services that are produced or marketed in their territory and that are covered by geographical indications registered under this Regulation. To that end, Member States shall designate the authorities that are responsible for taking those steps, in accordance with procedures determined by each individual Member State. Those authorities shall offer adequate guarantees of objectivity and impartiality, and shall have at their disposal the qualified staff and resources necessary to carry out their tasks. 3. Member States shall inform the Commission of the names and addresses of the competent authorities responsible for controls as regards the use of names in the market place, and designated in accordance with Article 43. The Commission shall make public the names and addresses of those authorities.

49. 29. PLANNING OF CONTROLS	**Article 40 : Planning, reporting of control activities** 1. Member States shall ensure that activities for the control of obligations under this Chapter are specifically included in a separate section within the multi-annual national control plans in accordance with Articles 41, 42 and 43 of Regulation (EC) No 882/2004. 2. The annual reports concerning the control of the obligations established by this Regulation shall include a separate section comprising the information laid down in Article 44 of Regulation (EC) No 882/2004.		**Article 40 *:* Procedure and requirements, and planning and reporting of control activities** 1. The procedures and requirements laid down in Regulation (EC) No 882/2004 shall apply *mutatis mutandis* to the checks provided for in Articles 38 and 39 of this Regulation. 2. Member States shall ensure that activities for the control of obligations under this Chapter are specifically included in a separate section within the multi-annual national control plans in accordance with Articles 41 to 43 of Regulation (EC) No 882/2004. 3. The annual reports referred to in Article 44(1) of Regulation (EC) No 882/2004 shall include in a separate section the information referred to in that provision concerning the control of the obligations established by this Regulation.

50. 30. RIGHT TO USE THE SCHEMES	**Article 12 : Names, symbols and indications** 1. Protected designations of origin and protected geographical indications may be used by any operator marketing a product conforming to the corresponding specification. **Article 46 : Right to use the schemes** 1. Member States shall ensure that any operator complying with the rules of a quality scheme set out in Titles II and III is entitled to be covered by the verification of compliance established pursuant to Article 37. 2. Operators who prepare and store a product marketed under the traditional speciality guaranteed, protected designation of origin or protected geographical indication schemes or who place such products on the market shall also be subject to the controls laid down in Chapter I of this Title. 3. Member States shall ensure that operators willing to adhere to the rules of a quality scheme set out in Titles III and IV are able to do so and do not face obstacles to participation that are discriminatory or otherwise not objectively founded.	**Article 103 : Protection** 1. A protected designation of origin and a protected geographical indication may be used by any operator marketing a wine which has been produced in conformity with the corresponding product specification.	**Article 21 : Protection of geographical indications** 1. Geographical indications protected under this Regulation may be used by any operator marketing a spirit drink produced in conformity with the corresponding product specification.

51. 31. TRANSITIONAL PROVISIONS	**Article 16 : Transitional provisions** 1. Names entered in the register provided for in Article 7(6) of Regulation (EC) No 510/2006 shall automatically be entered in the register referred to in Article 11 of this Regulation. The corresponding specifications shall be deemed to be the specifications referred to in Article 7 of this Regulation. Any specific transitional provisions associated with such registrations shall continue to apply. 2. In order to protect the rights and legitimate interests of producers or stakeholders concerned, the Commission shall be empowered to adopt delegated acts, in accordance with Article 56, concerning additional transitional rules. 3. This Regulation shall apply without prejudice to any right of coexistence recognised under Regulation (EC) No 510/2006 in respect of designations of origin and geographical indications, on the one hand, and trade marks, on the other.	**Article 109 : Delegated powers** 5. In order to ensure that economic operators and competent authorities are not unduly affected by the application of this Subsection as regards wine names which have been granted protection prior to 1 August 2009, or for which an application for protection has been made prior to that date, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down transitional rules concerning: (a) wine names recognised by Member States as designations of origin or geographical indications by 1 August 2009, and wine names for which an application for protection has been made prior to that date; (b) wines placed on the market or labelled before a specific date; and (c) amendments to the product specifications. **Article 122 : Delegated powers** 3. In order to ensure that economic operators are not prejudiced, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning transitional provisions as regards wine placed on the market and labelled in accordance with the relevant rules applying before 1 August 2009. **Article 231 : Transitional rules** 1. In order to ensure the smooth transition from the arrangements provided for in Regulation (EC) No 1234/2007 to those laid down in this Regulation, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning measures necessary to protect the acquired rights and legitimate expectations of undertakings.	**Article 50 *:* Transitional measures** 1. Spirit drinks which do not meet the requirements of this Regulation but which meet the requirements of Regulation (EC) No 110/2008 and were produced before 25 May 2021 may continue to be placed on the market until stocks are exhausted. 2. Notwithstanding paragraph 1 of this Article, spirit drinks the description, presentation or labelling of which is not in conformity with Articles 21 and 36 of this Regulation but complies with Articles 16 and 23 of Regulation (EC) No 110/2008 and which were labelled before 8 June 2019 may continue to be placed on the market until stocks are exhausted. 3. Until 25 May 2025, the Commission is empowered to adopt delegated acts in accordance with Article 46 amending Article 3(2), (3), (9), (10), (11) and (12), Article 10(6) and (7), and Articles 11, 12 and 13 or supplementing this Regulation by derogating from those provisions. The delegated acts referred to in the first subparagraph shall be strictly limited to meeting demonstrated needs that result from market circumstances. The Commission shall adopt a separate delegated act in respect of each definition, technical definition or requirement in the provisions referred to in the first subparagraph. 4. Articles 22 to 26, 31 and 32 of this Regulation shall not apply to applications for registration or for amendment or to requests for cancellation, which are pending on 8 June 2019. Articles 17(4), (5) and (6), 18 and 21 of Regulation (EC) No 110/2008 shall continue to apply to such applications and requests for cancellation.

			The provisions on the opposition procedure referred to in Articles 27, 28 and 29 of this Regulation shall not apply to the applications for registration or to the applications for amendment, in relation to which the main specifications of the technical file or an application for amendment, respectively, have already been published for opposition in the *Official Journal of the European Union* on 8 June 2019. Article 17(7) of Regulation (EC) No 110/2008 shall continue to apply to such applications. The provisions on the opposition procedure referred to in Articles 27, 28 and 29 of this Regulation shall not apply to a request for cancellation which is pending on 8 June 2019. Article 18 of Regulation (EC) No 110/2008 shall continue to apply to such requests for cancellation. 5. For the geographical indications registered under Chapter III of this Regulation and of which the application for registration was pending on the date of application of the implementing acts laying down detailed rules on the procedures for, form and presentation of, applications as referred to in Article 23 provided for in Article 42(2) of this Regulation, the register may provide direct access to the main specifications of the technical file within the meaning of Article 17(4) of Regulation (EC) No 110/2008. 6. In respect of geographical indications registered in accordance with Regulation (EC) No 110/2008 the Commission shall, at the request of a Member State, publish a single document submitted by that Member State in the *Official Journal of the European Union*. That publication shall be accompanied by the publication reference of the product specification and shall not be followed by an opposition procedure.

52. 32. TRANSITIONAL NATIONAL PROTECTION	**Article 9 : Transitional national protection** A Member State may, on a transitional basis only, grant protection to a name under this Regulation at national level, with effect from the date on which an application is lodged with the Commission. Such national protection shall cease on the date on which either a decision on registration under this Regulation is taken or the application is withdrawn. Where a name is not registered under this Regulation, the consequences of such national protection shall be the sole responsibility of the Member State concerned. The measures taken by Member States under the first paragraph shall produce effects at national level only, and they shall have no effect on intra-Union or international trade. **Article 15.4 : Transitional periods for use of PDOs and PGIs** 4. To overcome temporary difficulties with the long-term objective of ensuring that all producers in the area concerned comply with the specification, a Member State may grant a transitional period of up to 10 years, with effect from the date on which the application is lodged with the Commission, on condition that the operators concerned have legally marketed the products in question, using the names concerned continuously for at least the five years prior to the lodging of the application to the authorities of the Member State and have made that point in the national opposition procedure referred to in Article 49(3).		**Article 25 : Provisional national protection** 1. On a provisional basis only, a Member State may grant protection to a name under this Chapter at national level, with effect from the date on which an application is submitted to the Commission. 2. Such national protection shall cease on the date on which either a decision on registration under this Chapter is taken or the application is withdrawn. 3. Where a name is not registered under this Chapter, the consequences of such national protection shall be the sole responsibility of the Member State concerned. 4. The measures taken by Member States under paragraph 1 shall produce effects at national level only, and shall have no effect on intra-Union or international trade

TRANSITIONAL PERIODS GRANTED BY THE COMMISSION **53. 33.** **54. 34.**	**Article 15 : Transitional periods for use of PDOs and PGIs** 1. Without prejudice to Article 14, the Commission may adopt implementing acts granting a transitional period of up to five years to enable products originating in a Member State or a third country the designation of which consists of or contains a name that contravenes Article 13(1) to continue to use the designation under which it was marketed on condition that an admissible statement of opposition under Article 49(3) or Article 51 shows that: (a) the registration of the name would jeopardise the existence of an entirely or partly identical name; or (b) such products have been legally marketed with that name in the territory concerned for at least five years preceding the date of the publication provided for point (a) of Article 50(2). Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 57(2). 2. Without prejudice to Article 14, the Commission may adopt implementing acts extending the transitional period mentioned in paragraph 1 of this Article to 15 years in duly justified cases where it is shown that: (a) the designation referred to in paragraph 1 of this Article has been in legal use consistently and fairly for at least 25 years before the application for registration was submitted to the Commission; (b) the purpose of using the designation referred to in paragraph 1 of this Article has not, at any time, been to profit from the reputation of the registered name and it is shown that the consumer has not been nor could have been misled as to the true origin of the product. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 57(2). 3. When using a designation referred to in paragraphs 1 and 2, the indication of country of origin shall clearly and visibly appear on the labelling. (…) The first subparagraph shall apply mutatis mutandis to a protected geographical indication or protected designation of origin referring to a geographical area situated in a third country, with the exception of the opposition procedure. Such transitional periods shall be indicated in the application dossier referred to in Article 8(2).		**Article 29 : Transitional periods for use of geographical indications** 1. The Commission may adopt implementing acts granting a transitional period of up to five years to enable spirit drinks originating in a Member State or a third country, and the name of which contravenes Article 21(2), to continue to use the designation under which they were marketed on condition that an admissible statement of opposition under Article 24(6) or Article 27 shows that the registration of the name would jeopardise the existence of: (a) an entirely identical name or of a compound name, one term of which is identical to the name to be registered; or (b) other names similar to the name to be registered which refer to spirit drinks which have been legally on the market for at least five years preceding the date of the publication provided for in Article 26(2). Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 47(2). 2. Without prejudice to Article 36, the Commission may adopt implementing acts extending the transitional period granted under paragraph 1 up to 15 years, or allowing continued use for up to 15 years in duly justified cases, provided it is shown that: (a) the designation referred to in paragraph 1 has been in legal use consistently and fairly for at least 25 years before the application for protection was submitted to the Commission; (b) the purpose of using the designation referred to in paragraph 1 has not, at any time, been to profit from the reputation of the registered geographical indication; and

55. 35. ROLE OF GROUPS	**Article 45 : Role of groups** 1. Without prejudice to specific provisions on producer organisations and inter-branch organisations as laid down in Regulation (EC) No 1234/2007, a group is entitled to: (a) contribute to ensuring that the quality, reputation and authenticity of their products are guaranteed on the market by monitoring the use of the name in trade and, if necessary, by informing competent authorities as referred to in Article 36, or any other competent authority within the framework of Article 13(3); (b) take action to ensure adequate legal protection of the protected designation of origin or protected geographical indication and of the intellectual property rights that are directly connected with them; (c) develop information and promotion activities aiming at communicating the value-adding attributes of the product to consumers; (d) develop activities related to ensuring compliance of a product with its specification; (e) take action to improve the performance of the scheme, including developing economic expertise, carrying out economic analyses, disseminating economic information on the scheme and providing advice to producers (f) take measures to enhance the value of products and, where necessary, take steps to prevent or counter any measures which are, or risk being, detrimental to the image of those products. 2. Member States may encourage the formation and functioning of groups on their territories by administrative means. Moreover, Member States shall communicate to the Commission the name and address of the groups referred to in point 2 of Article 3. The Commission shall make this information public.		(c) the consumer has not been nor could have been misled as to the true origin of the product. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 47(2). 3. When using a designation referred to in paragraphs 1 and 2, the indication of the country of origin shall clearly and visibly appear on the labelling.

56. 36. DELEGATED POWERS	**Article 56 : Exercise of the delegation** 1. The power to adopt the delegated acts is conferred on the Commission subject to the conditions laid down in this Article. 2. The power to adopt delegated acts referred to in the second subparagraph of Article 2(1), Article 5(4), the first subparagraph of Article 7(2), the first subparagraph of Article 12(5), Article 16(2), Article 18(5), the first subparagraph of Article 19(2), the first subparagraph of Article 23(4), Article 25(3), Article 29(4), Article 30, Article 31(3) and (4), Article 41(3), Article 42(2), the first subparagraph of Article 49(7), the first subparagraph of Article 51(6), the first subparagraph of Article 53(3) and the first subparagraph of Article 54(2) shall be conferred on the Commission for a period of five years from 3 January 2013. The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the five-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period. 3. The delegation of power referred to in the second subparagraph of Article 2(1), Article 5(4), the first subparagraph of Article 7(2), the first subparagraph of Article 12(5), Article 16(2), Article 18(5), the first subparagraph of Article 19(2), the first subparagraph of Article 23(4), Article 25(3), Article 29(4), Article 30, Article 31(3) and (4), Article 41(3), Article 42(2), the first subparagraph of Article 49(7), the first subparagraph of Article 51(6), the first subparagraph of Article 53(3) and the first subparagraph of Article 54(2) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.	**Article 109 : Delegated powers** 1. In order to take into account the specific characteristics of the production in the demarcated geographical area, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down: (a) the additional criteria for the demarcation of the geographical area; and (b) the restrictions and derogations concerning the production in the demarcated geographical area. 2. In order to ensure product quality and traceability, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 laying down the conditions under which product specifications may include additional requirements. 3. In order to ensure the protection of the legitimate rights and interests of producers and operators, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 on: (a) the type of applicant that may apply for the protection of a designation of origin or geographical indication; (b) the conditions to be followed in respect of an application for the protection of a designation of origin or geographical indication, scrutiny by the Commission, the objection procedure, and procedures for amendment, cancellation and conversion of protected designations of origin or protected geographical indications; (c) the conditions applicable to trans-border applications; (d) the conditions for applications concerning geographical areas in a third country; (e) the date from which a protection or an amendment to a protection shall apply; (f) the conditions related to amendments to product specifications. 4. In order to ensure an adequate level of protection, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 on restrictions regarding the protected name.	**Article 41 *:* Delegated powers** 1. The Commission is empowered to adopt delegated acts in accordance with Article 46 supplementing this Regulation by setting out further conditions to be followed, including in cases where a geographical area includes more than one country, in respect of: (a) an application for the registration of a geographical indication as referred to in Articles 23 and 24; and (b) preliminary national procedures as referred to in Article 24, scrutiny by the Commission, the opposition procedure, and the cancellation of geographical indications. 2. The Commission is empowered to adopt delegated acts in accordance with Article 46 supplementing this Regulation by establishing conditions and requirements for the procedure concerning the Union amendments and standard amendments, including temporary amendments, to product specifications as referred to in Article 31. **Article 46 : Exercise of the delegation** 1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article. 2. The power to adopt delegated acts referred to in Articles 8 and 19 shall be conferred on the Commission for a period of seven years from 24 May 2019. The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the seven-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.

	4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.		3 The power to adopt delegated acts referred to in Articles 33 and 41 shall be conferred on the Commission for a period of five years from 24 May 2019. The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the five-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period. 4. The power to adopt delegated acts referred to in Article 50 shall be conferred on the Commission for a period of six years from 24 May 2019. 5. The delegation of power referred to in Articles 8, 19, 33, 41 and 50 may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force. 6. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making. 7. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council. 8. A delegated act adopted pursuant to Articles 8, 19, 33, 41 and 50 shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

57. 37. DELEGATED POWERS (CONTINUED)	5. A delegated act adopted pursuant to the second subparagraph of Article 2(1), Article 5(4), the first subparagraph of Article 7(2), the first subparagraph of Article 12(5), Article 16(2), Article 18(5), the first subparagraph of Article 19(2), the first subparagraph of Article 23(4), Article 25(3), Article 29(4), Article 30, Article 31(3) and (4), Article 41(3), Article 42(2), the first subparagraph of Article 49(7), the first subparagraph of Article 51(6), the first subparagraph of Article 53(3) and the first subparagraph of Article 54(2) shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.	2. In order to ensure the protection of the legitimate interests of operators, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning rules as regards temporary labelling and presentation of wines bearing a designation of origin or a geographical indication, where that designation of origin or geographical indication fulfils the necessary requirements. 3. In order to ensure that economic operators are not prejudiced, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning transitional provisions as regards wine placed on the market and labelled in accordance with the relevant rules applying before 1 August 2009. 4. In order to take account of the specific characteristics in trade between the Union and certain third countries, the Commission shall be empowered to adopt delegated acts in accordance with Article 227 concerning derogations from this Section as regards products to be exported where required by the law of the third country concerned.	**Article 50 : Transitional measures** (…) 3. Until 25 May 2025, the Commission is empowered to adopt delegated acts in accordance with Article 46 amending Article 3(2), (3), (9), (10), (11) and (12), Article 10(6) and (7), and Articles 11, 12 and 13 or supplementing this Regulation by derogating from those provisions. The delegated acts referred to in the first subparagraph shall be strictly limited to meeting demonstrated needs that result from market circumstances. The Commission shall adopt a separate delegated act in respect of each definition, technical definition or requirement in the provisions referred to in the first subparagraph.

58. 38. IMPLEMENTING POWERS	**Article 7 : Product specification** The Commission may adopt implementing acts laying down rules on the form of the specification. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 57(2).	**Article 110 : Implementing powers in accordance with the examination procedure** 1. The Commission may adopt implementing acts laying down necessary measures concerning: (a) the information to be provided in the product specification with regard to the link between the geographical area and the final product; (b) the making of decisions on protection or rejection available to the public; (c) the establishment and the maintenance of the register referred to in Article 104; (d) the conversion from protected designation of origin to protected geographical indication; (e) the submission of trans-border applications. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2). 2. The Commission may adopt implementing acts laying down necessary measures concerning the procedure for the examination of applications for protection or for the approval of an amendment of a designation of origin or a geographical indication, as well as the procedure for requests for objection, cancellation, or conversion, and the submission of information related to existing protected wine names, in particular with respect to: (a) models for documents and the transmission format; (b) time limits; (c) the details of the facts, evidence and supporting documents to be submitted in support of an application or a request. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 229(2).	**Article 20 : Implementing powers** The Commission may, by means of implementing acts, adopt: (a) the rules necessary for communications to be made by Member States with regard to the bodies appointed to supervise ageing processes in accordance with Article 13(6); (b) uniform rules for indicating the country of origin or the place of provenance in the description, presentation or labelling of spirit drinks referred to in Article 14; (c) rules on the use of the Union symbol referred to in Article 16 in the description, presentation and labelling of spirit drinks; (d) detailed technical rules on the Union reference methods of analysis referred to in Article 18. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 47(2). **Article 29 : Transitional periods for use of geographical indications** 1. The Commission may adopt implementing acts granting a transitional period of up to five years to enable spirit drinks originating in a Member State or a third country, and the name of which contravenes Article 21(2), to continue to use the designation under which they were marketed on condition that an admissible statement of opposition under Article 24(6) or Article 27 shows that the registration of the name would jeopardise the existence of: (a) an entirely identical name or of a compound name, one term of which is identical to the name to be registered; or (b) other names similar to the name to be registered which refer to spirit drinks which have been legally on the market for at least five years preceding the date of the publication provided for in Article 26(2).

		Article 111 : Other implementing powers Where an objection is deemed inadmissible, the Commission shall adopt an implementing act rejecting it as inadmissible. That implementing act shall be adopted without applying the procedure referred to in Article 229(2) or (3).	Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 47(2). 2. Without prejudice to Article 36, the Commission may adopt implementing acts extending the transitional period granted under paragraph 1 up to 15 years, or allowing continued use for up to 15 years in duly justified cases, provided it is shown that: (a) the designation referred to in paragraph 1 has been in legal use consistently and fairly for at least 25 years before the application for protection was submitted to the Commission; (b) the purpose of using the designation referred to in paragraph 1 has not, at any time, been to profit from the reputation of the registered geographical indication; and (c) the consumer has not been nor could have been misled as to the true origin of the product. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 47(2).

59. 39. COMMITTEE PROCEDURE	**Article 57 : Committee procedure** 1. The Commission shall be assisted by the Agricultural Product Quality Policy Committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011. 2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply. Where the committee delivers no opinion, the Commission shall not adopt the draft implementing act and the third subparagraph of Article 5(4) of Regulation (EU) No 182/2011 shall apply.	**Article 229 : Committee procedure** 1. The Commission shall be assisted by a committee called the Committee for the Common Organisation of the Agricultural Markets. That Committee shall be a committee within the meaning of Regulation (EU) No 182/2011. 2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply. In the case of acts referred to in Article 80(5), points (c) and (d) of Article 91, Article 97(4), Article 99, Article 106 and Article 107(3), where the committee delivers no opinion, the Commission shall not adopt the draft implementing act and the third subparagraph of Article 5(4) of Regulation (EU) No 182/2011 shall apply. 3. Where reference is made to this paragraph, Article 8 of Regulation (EU) No 182/2011, in conjunction with Article 5 thereof, shall apply.	**Article 47 : Committee procedure** 1. The Commission shall be assisted by the Committee for Spirit Drinks established by Regulation (EEC) No 1576/89. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011. 2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

Annex 11: GI registration process options

PART A: ASSESSMENT OF CURRENT GI REGISTRATION SYSTEM

60. 1. INTRODUCTION

The evaluation of policy on Geographical Indications (GI) identifies the efficiency of the administrative process for the registration and amendment of GIs and an area for improvement. This annex seeks to address the 'agency' options to achieve savings in time and burdens and, if possible, qualitative increases in service, notably through increasing transparency in the processes, as well as stakeholder and Member State involvement in the registration process, feedback, support and training.

The assessment covers both status quo (excluding improvement currently scheduled) and full devolvement including Member State assessment to an agency as 'bookends' against which the options are assessed. Neither of these 'bookend' options are retained.

This assessment is structured as follows:

Part A: description of the methodology, including concepts definition, followed by the analysis of the baseline procedure for the GI applications for registration and/or amendments, by referring to its timeframe, efficiency, quality, transparency, costs, and harmonisation effects.

Part B: contains exploration, analyses and assessment of a number of options for the GI registration / amendment procedure, with a focus on identifying benefits and improvement vectors: efficiency gains and length reduction, burden reduction, improvement of the quality of the GI file assessment, transparency of the scrutiny process, and consistency of the observations, including a possible simplification and modernisation of procedures as well as possible costs reduction. To this end, both possible improvements regarding the overall efficiency and quality of the registration procedure, as well possible risks that such procedures may generate have been considered. This document also highlights several aspects related to the management of the GI eRegister.

Part C: A comparison of the options proposed is presented in the last section of this document.

61. 2. STAKEHOLDERS AND TARGETED BENEFITS

For the purpose of this exercise the main stakeholders considered are:

– GI Applicants/Producer Groups;

– users and potential users of the GIs other than producer groups (processors; distributors; retailers);

– users and potential users of names and terms as part of a protected IPR that will be restricted or prohibited if a GI is protected;

– Member States (both as applicants and opponents at the EU level procedure) Control Authorities (also known as 'Competent Authorities') and private certification bodies;

– COM / DG AGRI and other services;

– an agency;

– citizens in the EU / Beneficiaries of the GI policy (consumers).

For each of the above stakeholders, the following benefits have been considered in the design of this analysis and its proposed options for future GI registration procedures.

Benefits	Indicators
For GI Applicants/Producer Groups: • **Strengthening[95] of GIs as an IPR** • **Legal certainty** • **Support businesses and innovation by using and benefiting from efficient and effective GI registration, amendments, and enforcement procedures.**	• Simplified procedures • Consistency of the scrutiny output • Transparency of the registration process • Perception / satisfaction related to the process and the added value • Accessibility of the GI system • Predictability of the outcome of the registration procedure
For (Potential) Users of the GIs other than producer groups (processors, distributors, retailers): • **Legal certainty** • **Accessibility to the procedures** • **Awareness**	• Simplified procedures • Consistency of the scrutiny output • Transparency of the registration procedures • Perception / satisfaction related to the process and the added value
For (Potential) Users of names and terms that will be restricted or prohibited if a GI is protected: • **Legal certainty** • **Accessibility to the procedures** • **Awareness**	• Simplified procedures • Consistency of the scrutiny output • Transparency of the registration procedures • Perception / satisfaction related to the process and the added value
For Control Authorities / Certification Bodies: • **Strengthening of GIs as an IPR** • **Access to information**	• Linked Databases (enforcement)

[95] 'Strengthening' is intended in the wide sense, including 'making more coherent', 'making more rational', 'increasing transparency', and 'improving robustness of the system'.

• **Easier controls** • **Awareness**	• Access to information • Transparency of the registration procedures
For Member States:	
• **Strengthening of GIs as an IPR** • **Improved awareness of the IP value** • **Promotional tool** • **Economic benefits to regions/local communities** • **Preserving the land and nature** • **Preserving the local/traditional savoir faire** • **Employment access and retention (especially in rural areas)**	• Simplified procedures • Transparency • Access to information • Efficiency • Predictability of the outcome of the registration procedure
For COM / DG AGRI:	
• **Strengthening of GIs as IPR** • **Release repetitive tasks workload and gain ability to focus on added value AGRI policy related tasks** • **Reduce the administrative burden** • **Reduce the costs associated with management of registration systems**	• Efficiency gains • Cost savings • Reputational gains
For an agency:	
• **Strengthening of GIs as an IPR** • **Interlinking various IPRs for an overall better protection of IPRs at the EU level** • **Partnering with the Commission/DG AGRI to offer integrated efficient and quality services in support of innovation, businesses, and Member States, as well as producer groups and citizens in the EU.** • **Improving service to IP stakeholders**	• Efficiency • Timeliness • Quality • Transparency of the registration procedures • Consistency of the scrutiny output • User satisfaction
For EU Citizens (Consumers):	
• **Raised awareness on GIs, also linked to the recognition of the GIs** • **Informed buying decisions / Market transparency** • **Securing guarantee of authenticity in purchases**	• **Perception / Awareness**

62. 3. PROBLEM FRAMING AND METHODOLOGY

This analysis is apolitical and uses verifiable data to support the options and assessments, without implying that any of the assessed options is a preferred one. The length, complexity and cost of the filing, scrutiny and registration procedures are the main problems considered, both at the national and the European level, not only from an internal administrative perspective, but also from the perspective of the communication and interaction with producer groups and other actors and stakeholders involved in the process or affected by it.

The current (baseline) GI registration[96] procedure is presented by means of a process flow consisting in the following elements: stakeholders (roles or owners of a specific activity), presented by means of activity lanes, a trigger (element that triggers a specific action); activities undertaken by the roles considered (in dark blue), decision points (diamonds) and output of an activity (green/black rectangle). The sequence of the steps

[96] 'registration procedure' includes amendments

included in the flows is represented by means of arrows. When an IT improvement is proposed, the affected step in the flow is marked in green. When a change to the current procedure flow is proposed, the affected or new step is marked in orange.

A number of indicators are put forward measuring the expected benefits, by regrouping the above benefits indicators to address the identified improvement vectors. The quantitative benefits have been detailed for the following four main stakeholders actively involved in the registration process: producer groups (PGs), European Commission (COM), Member States (MS) bodies responsible for managing the GI dossiers, and an agency.

The procedure at EU level is analysed more in detail, and the MS level is mentioned only where any of the options proposed would imply a change in the current GI procedure, provided it is considered relevant and the data is available. Concretely, the change in costs of management and control of GIs for the MS are estimated as percentage reduction against baseline.

Throughout this document, an application for a GI registration/amendment is understood as the pack of documents required, with a focus primarily on the following 3 main elements: the Single Document (a summary of the information detailed in the product specification); the product specification document, mainly from the perspective of the description of the object of the GI registration, and documentation related to the identification of the Producer Group.

The **benchmark** for all target value proposals consists of the current performance values of the IPR registration process or estimated % change in the IPR registration trends observed as a result of the implementation of improvements during the last 10 years of cooperation with the Member State Offices within the EU Intellectual Property Network (EUIPN)[97]. They represent initial proposals for debate.

The target values proposed for Option 1, have been estimated by comparison with current values, described in Part B.

The proposed target values for the rest of the options throughout this analysis have been built departing from values corresponding to Option 3.3 and adding time estimated for completing various additional tasks as presented in the corresponding flows; for example, 5 months are allowed to complete the MS consultation step in option 3.2. The benchmark for the estimated length of the GI registration procedure in option 3.3 is comparable to the EUIPO's service charter[98].

The measurement of the length of the procedure between different steps of the flow can be done by means of average time or by comparing the performance against a set target. In this document, *performance* is defined as the time needed to handle all cases pending. No target value is suggested for indicators measuring the length of procedures which are not under the full control of the public body. For example, no target time to

[97] Unpublished EUIPN 10 Anniversary Report (estimated publication date: autumn 2021)

[98] https://euipo.europa.eu/ohimportal/en/euipo-service-charter

register all GI applications is included, because the time needed to close oppositions or appeals is heavily influenced by the opponent's responses. Nevertheless, average time estimations are included in the analysis.

The indicators are customised to each of the considered procedure options. The impact of the changes on the performance of the GI registration procedures is presented as estimated changes compared to the baseline values, or by specifying a proposed target value, where no baseline is available.

Several risks are identified for each option; however, no mitigation actions are proposed. The reason for this is that a mitigation action is designed considering available or potential resources, and that would imply a pre-selected owner for a specific action.

The advantages identified for each of the options are presented mainly from the perspective of the MS and PGs.

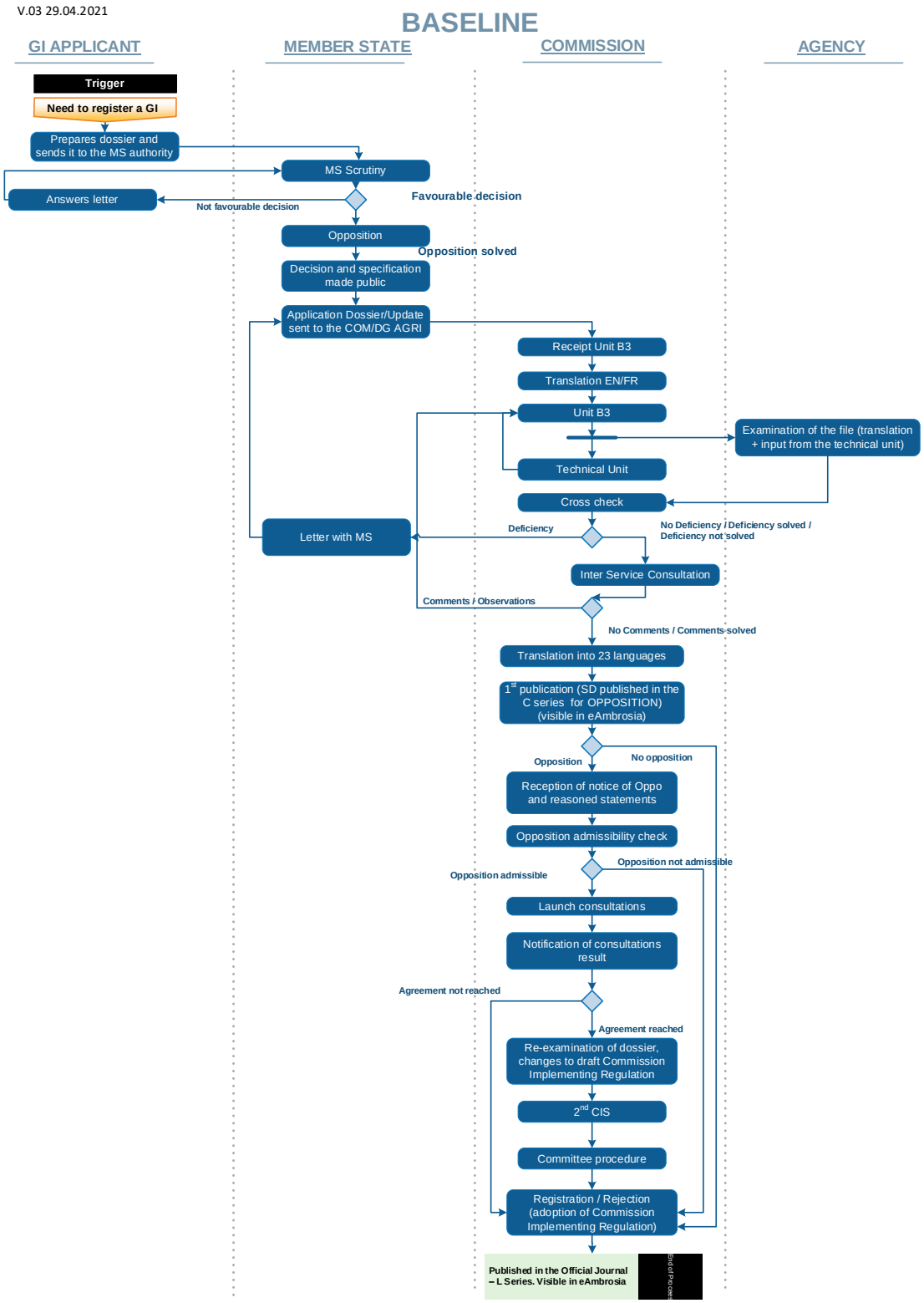
Option 3.3 is included for illustration purposes only and is therefore not considered in the summary table given the high risks and costs associated with it. However, the values and underlying assumptions for each of the proposed indicators are described in this document for comparison purposes.

The following methodology is used for comparing the 6 options. All benefits have the same weight in the calculations.

Scoring: The best value per line is marked in green and is awarded 2 points, the second best value per line is marked in orange and is awarded 1 point, and the worse value per line is marked in red and receives 0 points. If a criterion is not applicable to a specific option, it is marked with N/A and is not considered in the additions or is awarded 0 points.

63. 4. CURRENT GI REGISTRATION / AMENDMENT PROCEDURE

63.1. 4.1. Schematic



63.2. 4.2. Length of the procedure

The following indicators are proposed for analysing the performance of the baseline GI registration/amendment procedure:

Indicator	Current value	Date of measurement
Time for registration of the applications with no issues on link or product description (EU Level, no oppositions)	8 months (AGRI.B3 estimate)	N/A
Time to registration for applications with no product description issues (EU Level, no oppositions)	18-24 months (AGRI.B3 estimate)	N/A
Time to registration for applications with no link description issues (EU Level, no oppositions)	18-24 months (AGRI.B3 estimate)	N/A
Time to send the first letter of observations	Target: 6 months Average[99]: 7 months (90% of files, excluding cases with very long pendency time)	2021
Time to registration all cases (EU Level)	Target: N/A Performance[100]: 2 - 5 yeas Average: 2 years	2020
Time to registration all cases (MS+EU Level)	Target: N/A Performance: 1 - 10 years[101] Average: 5 - 6 years	2020

Main time-consuming elements identified:

- Activities between key steps in the flow, such as translations, technical input or comments or long signatories list.
- Number of steps in the registration/amendment flow.
- Delayed decision taking by the COM.

Possible main root causes identified:

- Lack of a quality and performance management system.

[99] Source: B3 monitoring table

[100] Source: interviews, Source: SWD page 35, Efficiency

[101] Source: SWD page 35, Efficiency

– Lack of language capacity for working in all EU languages.

– Complex decision-making system.

– High number of actors involved in the decision-making process.

– Complex legislative approval process (COM).

63.3. 4.3. Perceived burden to registering a GI

Examples of elements adding to the overall perception of the procedure being burdensome[102] from the perspective of both the MS and the PG can be:

MS side:

– Lack of predictability of the delay until the next action from the Commission (COM).

– Lack of understanding of the expectations/requirements of COM expressed in the letter of observations.

– Lack of understanding of the reasons of the delay by COM in taking the next action.

– Perceived difficulty of 'translating' the COM requirements into an adequate language for the PGs.

– Lack of understanding of the changes in the COM's practice in scrutinising GI files.

– Lack of understanding of the overall registration and post registration process.

PG side:

– Complexity and duration of the registration process may be simplified and reduced.

– Lack of understanding and repeated failure in properly addressing the requirements included in the letter of observations.

– Added complexity and costs to the production process through additional production controls.

The following indicators are proposed for analysing the performance of the procedure as regards the perception of the overall experience:

Indicator

[102] Source: Interviews MS representatives

Satisfaction of the MS with the duration of the GI registration procedure

Satisfaction of the MS with the predictability of the registration outcome

Perception of the added value of the GI scheme

Satisfaction of the MS with the front and back office tools

63.4. 4.4. Quality of the application

The quality of the application (single document (SD) and product specification) has been one of the issues mentioned most times by the COM staff during the interviews, albeit the COM scrutinises only manifest errors); the product specification (in case of non-EU applications).

The quality of application can be broken down into the following main elements negatively influencing it (including both the initial application for registration as well as any subsequent amendments):

– Insufficient description of the link between the characteristics of the product and the geographical area.

– Insufficient description of the product attributes/characteristics.

– The application does not meet minimum acceptability criteria (checked in a process step called *formalities check*).

All the above can be possibly rooted to the lack of understanding of the instructions on how to complete the GI application for the MS and the applicant.

The above deficiencies of applications are typically solved through a minimum of 2 loops of exchanges of observation letters addressed to the MS; many times, three or more loops are needed until all deficiencies are solved. All interviewees, both MS and COM acknowledge that the issues to be addressed are not straight-forward, and that collaborative approaches may be a way forward to overcome blocking points, i.e. best practices approach.

The following indicators are proposed to be used for analysing the quality of the applications:

Indicator	Current value	Date of measurement
Formalities deficiency rate (completeness of the file)	N/A	N/A
Link description deficiency rate	95%	Q1 2021
Product description deficiency rate	N/A	N/A

63.5. 4.5. Quality of the output of the GI application assessment

The main problem identified from the responses of the interviewees (MS) was the lack of consistency in the COM's observations. This can be broken down into:

– Lack of consistency in the required amount of details and acceptable description of the link to the geographical area in the GI application (SD).

– Lack of clarity and simplicity of the language used for describing the requirements that must be met by the text of the SD for being considered acceptable in the letter of observations.

– MS lack of awareness of the changes in the scrutiny practice of the COM.

Following indicators are proposed for monitoring the evolution of this aspect over time:

Indicator
Satisfaction of the MS with the consistency of the observations
Satisfaction of the MS with the clarity of the observations
Satisfaction of the MS on the overall registration journey

63.6. 4.6. Transparency for the MS and PGs, while the dossier is scrutinised by the COM

The actions and deadlines for action of the COM are perceived as not being predictable[103]. Sometimes the cause of the delay of the COM to provide a reply is not understood by the MS. These two aspects lead to an overall perceived lack of transparency on the side of the COM.

This can be further broken down into:

– The MS do not receive an explanation of the cause of the delays in taking a decision.

– The MS expressed interest in jointly creating an objective set of GI application assessment criteria that could be shared among the MS.

– Lack of visibility of the stage of progress of the dossier for the PG and for the MS (if eAmbrosia is not used).

– The difference in practice and tools used in the registration process among sectors and MS could lead to an increased perception of complexity.

[103] Source: MS interviews

Following indicators are proposed for analysing the performance of the GI procedures from a perspective of perceived transparency:

Indicator
Satisfaction of the MS with the information received on each dossier
Satisfaction of the MS with the quality of the information on the latest changes in the scrutiny practice
Satisfaction of the MS with their involvement in the decision making at the EU level

63.7. 4.7. Cost of the procedure

Several costs related aspects are highlighted below[104].

- **For the PGs**

The costs of GI registration procedure are sometimes perceived as discouraging, not only from the perspective of the application fees paid in some MS, but also from the perspective of costs of controls.

For instance, in some EU MS there are application fees applied, while in some other countries there is no application fee foreseen. In some MS there are incentives such as reimbursement schemes, while in others there is no such help provided in the policy measures implemented in each MS. Given that all (except one) proposed options do not propose changes in the national level procedure, this aspect will not be discussed further in this document.

In the case of option 3.2 and 3.3 (the PG applies directly to an agency), the possibility of having an EU level application fee, implies that existing MS fees will be discontinued. The applicants will pay the same amount of money as application fee regardless of the country of origin. The fees received by the MS control authorities (outsourced in some countries) are not affected.

- **For the COM**

Regarding monetary **costs at EU level**, the average registration and major amendment procedure for a file reaches EUR 33 500 (it includes administration, translation of files and letters and decision/regulation, scrutiny and cross-check, internal consultations in the Commission)[105].

In terms of FTEs, the estimated total effort of 20 FTES included in the table below consists in: 14 FTEs[106] - B3 unit of DG AGRI, plus estimated of 2-3

[104] Source: MS interviews

[105] Source: Evaluation study, page 173

[106] Source: DG AGRI

FTEs overall from the COM involved in the decide and consult procedures, plus 3,75 FTEs agency's[107] effort. The 3,75 FTEs are the current FTEs within the EUIPO dedicated to the assessment/scrutiny of the GI files under the SLA cooperation. Hence this number is the baseline number added to the entirety of the FTEs currently working on the scrutiny of the GI files.

The following indicators are proposed to be used throughout this analysis paper for analysing costs related perspectives:

Indicator	Current value
Cost for the EU Level dossier management	EUR 33 500
Number of FTEs for 100% performance (all files are managed according to the target deadlines and quality criteria)	Rounded up to 20 FTEs
IT costs for the corrective and adaptive maintenance of eAmbrosia[108]	6 FTEs

- **For the MS**

The estimated effort invested by the MS in the management of dossiers and control is presented in the evaluation study and in the staff working document. Under the assumption that the MS Control arrangements in place are not in scope of this analysis, the costs associated with performing GI related control activities are not further considered in this document.

63.8. 4.8. Harmonisation among application requirements, procedures, and information available at the MS level

Desk research and the responses to the interviews reveal that there is a scope for greater harmonisation among the requirements that must be met by a GI application, procedures, and improvements in information and guidance available at the MS level. This aspect was initially considered as one of the issues adding complexity to the GI scheme, however, all interviewed MS acknowledged the legitimacy of having different national procedures, considering the particularities and the objectives of the quality scheme in general, such as rural development or, access to fair competition for the producer groups.

Therefore, this aspect will not be further detailed when analysing the proposed options. Instead, a yes/no assessment will be made to reflect whether the option in discussion addresses the harmonisation aspect or not.

[107] COM – EUIPO MoU SLA

[108] Source: COM staff interviews

64. 5. GI REGISTRATION/AMENDMENT PROCEDURE OPTIONS

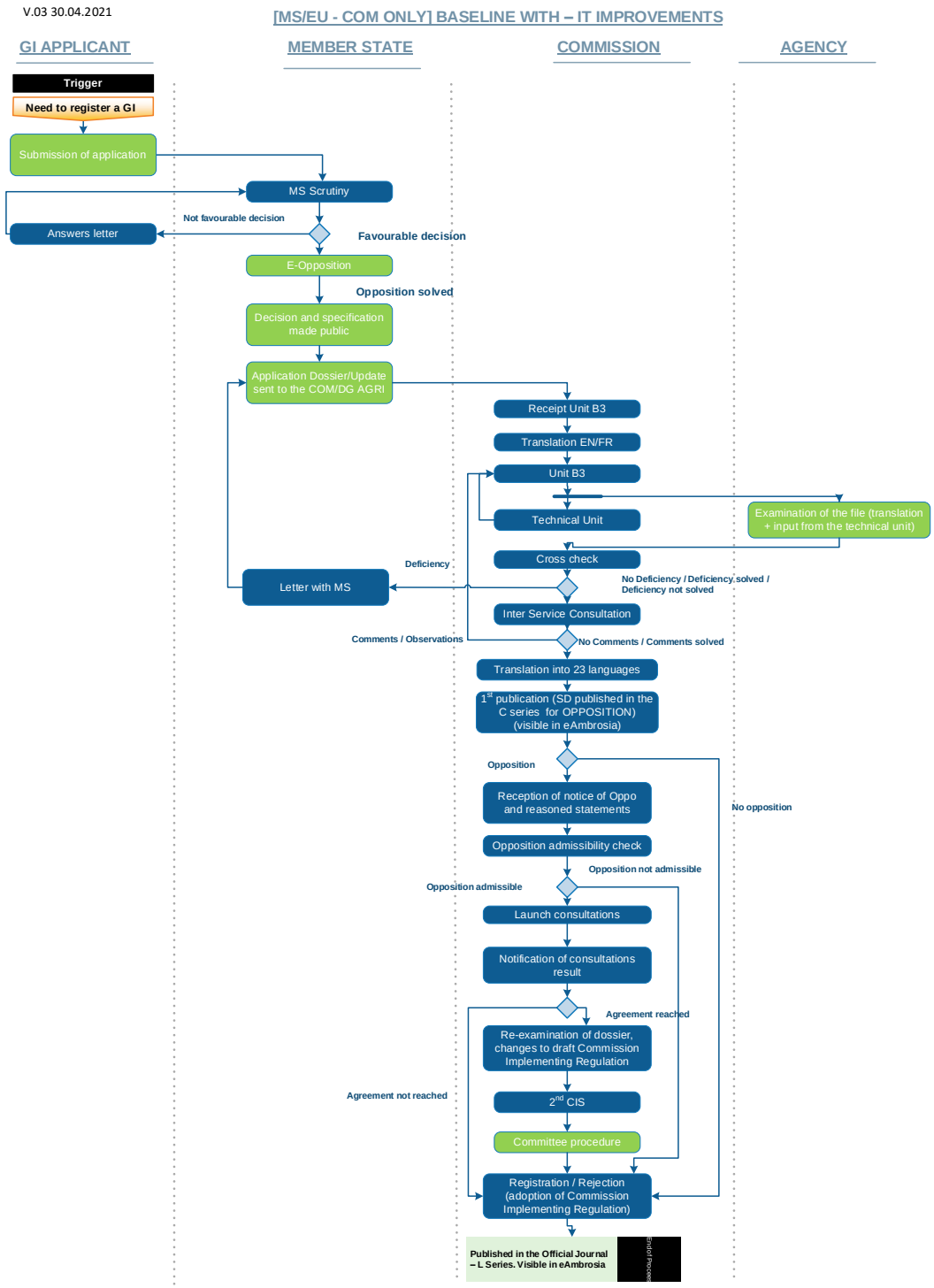
This document proposes **six GI registration / amendment workflow options** with the aim of possible simplification and modernisation of procedures as well as a potential reduction of the cost aspect. Each of them is analysed from the perspective of the improvement vectors identified in the previous sections. To this end, the benefits indicators are customised to address the specificities of each option.

Several possible actions are described for each option, and a 3-5 years duration is foreseen for the implementation of the said action. This results in proposed target values for each of the indicators used in the analysis of each option.

PART B: OPTIONS

65. 6. OPTION 1 BASELINE (WITH DIGITAL IMPROVEMENTS)

Baseline: no change to the current system (MS level, EU level); IT improvements factored in. The workflow steps affected by this are presented in green colour.



65.1. 6.1. Option 1 Baseline: Elements

The flow above presents the baseline model, with proposed IT improvements, represented in green boxes. There will be no change to the current system (MS level, EU level), except IT improvements factored in.

Main IT improvements proposed:

– Electronic application tool for the producer groups.

– Electronic application tool for the opposition procedure at the level of MS.

– All file types are sent to the COM by the MS by using an electronic application tool.

– The management of workload between an agency and the COM is done exclusively through an electronic back office system.

– The committee procedure is done through a virtual platform.

High Priority proposals to improve Application Quality and Applicant's User Experience

- Organise Working Groups with IT experts, Member States and Producer Groups to collect feedback from several user profiles. Based on this feedback create IT solutions following a User centred Design Process that:

  Allows and **guides** the applicant to file an application with better quality (a new eFiling tool).

  Allows the applicant to **check** the progress of the application (a new user area).

  Allows the applicant to have an efficient **communication** with the case handler (user area).

  Supplies **traceability** and **versioning** of the GI dossier changes (user area).

  Provides **access** to training material and guidelines (User Area).

High Priority proposals to improve Examination Efficiency and User Experience

- Organise Working Groups with IT experts, GI examiners to collect feedback from several user profiles and create/update IT solutions following a user centred design process that:

  Improve the examination process and existing tools:

  - Perform user interface improvements, i.e. one page for Review and Comments

  - Provide additional features like a word dictionary, automatic translation for working purposes only

  - Enhance Agency user's role with additional rights in the *back-office* tool, such as view access to all files, sending letters, etc.

- Improve integration between eAmbrosia and ARES document management system

- Implement a feature to allow easy **identification** of file changes on application for amendments or user changes for the resolution of deficiencies

- Implement a feature to allow GI **versioning** highlighting the changes between versions

Harmonise the examination process for all GI types, from an IT perspective.

Develop an online platform to:

- Provide a collaboration space between member states, to share knowledge, best practices and exchange views and expertise.

- Support the voting process when required.

- Publish GIs files for opposition purposes at MS level.

- Offer automatic translation services for working purposes.

65.2. 6.2. Length of the procedure

The following indicators are proposed for analysing the performance of the baseline GI registration/amendment procedure with IT improvements factored in. The proposed changes to the baseline indicators values below result considering the assumption that the proposals described in the previous paragraph - targeting to increase the quality of the application and applicant's user experience - will have a direct positive impact on the examination efficiency with a smaller number of deficiencies, faster resolution of deficiencies and better communication with the member states or the producer groups. In addition, the following assumption is considered: some unessential tasks in the flow are eliminated.

Indicator	Baseline value	Estimated target value / efficiency gains
Time to registration for the applications with no link or product description issues (EU Level, no oppositions)	8 months (AGRI.B3 estimate)	7 months
Time to registration for applications with no product description issues (EU Level, no oppositions)	18-24 months (AGRI.B3 estimate)	22 months
Time to registration for applications with no link description issues (EU Level, no oppositions)	18-24 months (AGRI.B3 estimate)	22 months

Time to send the first letter of observations	Target: 6 months Average: 7 months	Target: 4 months[109] Performance: 5 months
Time to registration all cases (EU Level)	Target: N/A Performance: 2 - 5 yeas Average: 2 years	Target: N/A Performance: reduction of 1 Year
Time to registration all cases (MS+EU Level)	Target: N/A Performance: 1 - 10 years Average: 5 - 6 years	Target: N/A Performance: reduction of 1 year

65.3. 6.3. Perceived burden of registering a GI

The following indicators are proposed for monitoring and controlling the perceived burden or effort required for the registration of a GI file, and implicitly the realisation of the simplification of the procedures benefit mentioned in the introduction section. The target values below are proposed against the benchmark the benchmark of EUIPN members satisfaction with the convergence of tools and practices in the registration of IPRs[110].

Indicator	Target value
Satisfaction of the MS with the duration of the GI registration procedure	50%
Satisfaction of the MS with the predictability of the registration outcome	70%
Perception of the added value of the GI scheme	No change
Satisfaction of the MS with the front and back office tools	70%
Satisfaction of the COM with the quality of the dossier received from an agency	90%
Satisfaction of the MS with the interactions	N/A
Satisfaction of the PGs with the duration of the GI registration procedure	N/A
Satisfaction of the PGs with the predictability of the registration outcome	N/A

65.4. 6.4. Quality of the application

The following indicators are proposed for monitoring and controlling the quality of GI applications, and implicitly the realisation of the satisfaction with the registration procedures benefit mentioned in the Introduction section. The

[109] The target time to send a first letter of observations is proposed to be an internal COM objective, and not necessarily a change in the deadline mentioned in the legislative text.

[110] See Balanced Scorecard annex available here: https://euipo.europa.eu/ohimportal/en/annual-report

target values below are proposed by analogy to benchmark values for similar IPR registration procedures[111].

The correspondence between IPR indicators and proposed GI specific indicators are made *by considering the frequency of the issue and by no means any substantial equivalency.*

In addition, the following activities are assumed to be implemented to some extent: COM could implement a series of targeted actions (see examples under Option 3.3 EU only: agency) aiming at increasing the quality of the applications received.

For that purpose, a benefit realisation date of 3 years is foreseen.

Indicator	Target value
Formalities deficiency rate (PGs related details, completeness of the file)	10%
Link description deficiency rate	50%
Product description deficiency rate	20%

65.5. 6.5. Quality of the output of the GI application assessment

The following indicators are proposed for monitoring and controlling the quality of the output of the EU level GI application assessments (observation letters and registration outcome), and the realisation of the satisfaction with the registration procedures benefits mentioned in the previous section. The target values below are proposed by analogy to benchmark values of typical User Satisfaction Survey results in the IPR sector[112].

In addition, the following activities are assumed to be implemented: COM could implement a series of targeted actions (see examples under Option 3.3 EU only: agency) aiming at substantially increasing the quality of the output (observation letters and outcome of the scrutiny). For that purpose, a benefit realisation date of 3 years is foreseen.

Indicator	Target value
Satisfaction of the MS with the consistency of the observations	60%
Satisfaction of the MS with the clarity of the observations	90%
atisfaction of the PGs with the consistency of the registration outcome	N/A
Satisfaction of the PGs with the clarity of the observations	N/A
Satisfaction of the MS on the overall registration journey	No change

[111] See BSC annex to the Annual Report: https://euipo.europa.eu/ohimportal/en/annual-report

[112] See example here: https://euipo.europa.eu/ohimportal/en/transparency-portal/organisational/user-satisfaction-survey?inheritRedirect=true

Satisfaction of the PGs with the overall registration journey	50%
Compliance of observation letters with set quality criteria	N/A

65.6. 6.6. Transparency of the registration journey

The following indicators are proposed for monitoring and controlling the perception of the transparency of the registration journey.

In addition, the following activities are assumed to be implemented: COM could implement a series of targeted actions (see examples under Option 3.3 EU only: agency) aiming at substantially increasing the perception on the transparency of the registration journey.

Indicator	Target value
Satisfaction of the MS with the information received on each dossier	50%
Satisfaction of the MS with the quality of the information on the latest changes in the scrutiny practice	50%
Satisfaction of the MS with their involvement in the decision making at the EU level	60%

65.7. 6.7. Harmonised procedures at MS level

Some of the divergent practices at MS level could be analysed and potentially included in a convergence of tools and practices programme[113]. However, the amount of effort required for this analysis is not justified at this moment in time. This solution fits better under the options where an agency could build on the experience and know-how in setting up cooperation projects for convergence of examination practices for other IPRs[114].

Therefore, for the purpose of the analysis, it is considered that the harmonisation of the procedures among MS is not affected by the IT improvements proposed with this option.

65.8. 6.8. Costs of registration

Considering the changes to the baseline procedure proposed under this option, the following variations in the costs incurred by the 4 types of stakeholders detailed in the scope of this analysis paper are considered.

[113] See example of the European Cooperation Programme models for the convergence of tools and practices for the registration of trade marks and designs: see: https://www.tmdn.org/network/converging-practices and https://euipo.europa.eu/ohimportal/en/strategic-drivers/ipnetwork .

[114] Idem 11

In addition, the following activities are assumed to be implemented:

– An agency is gradually taking more responsibility on the outcome of the examination of the dossiers, and by extension, it is implied that the effort on the COM side will reduce accordingly.

– 1 FTE (effort estimated among 3-4 staff members to be dedicated to coordination and management of documents in the exchange between the COM and an agency).

– 7 FTEs reduction due to advancements on the learning curve and full access to the back-office system and knowledge base.

Stakeholder	Baseline costs	Target costs / reduction
PG	MS application fee if applicable MS control fees if applicable	No changes under this option
COM - FTEs	16 FTEs	- 8 FTEs
COM Monetary costs to handle GI files registration / major amendments	EUR 33 500 per GI dossier	50% reduction in the cost per GI dossier.
Agency FTEs	3.75 FTE	- 0.5 FTE, Effort estimated for the coordination and handling the documents not received though eAmbrosia
Agency – Monetary costs to handle GI files	Not available	Target: Product man-power unit cost: lower than baseline
MS management of dossiers	Not measured separately	10% efficiency gains

65.9. 6.9. Advantages and risks of this option

In addition to the relative advantages presented in section VI analysis and comparison of options and their impacts, the main advantage of this option for the MS and PG stakeholders relative to the rest of the options assessed, is: MS and PG could benefit from advanced technology accompanying their journey to GI registration while maintaining close relationships with their local contact points.

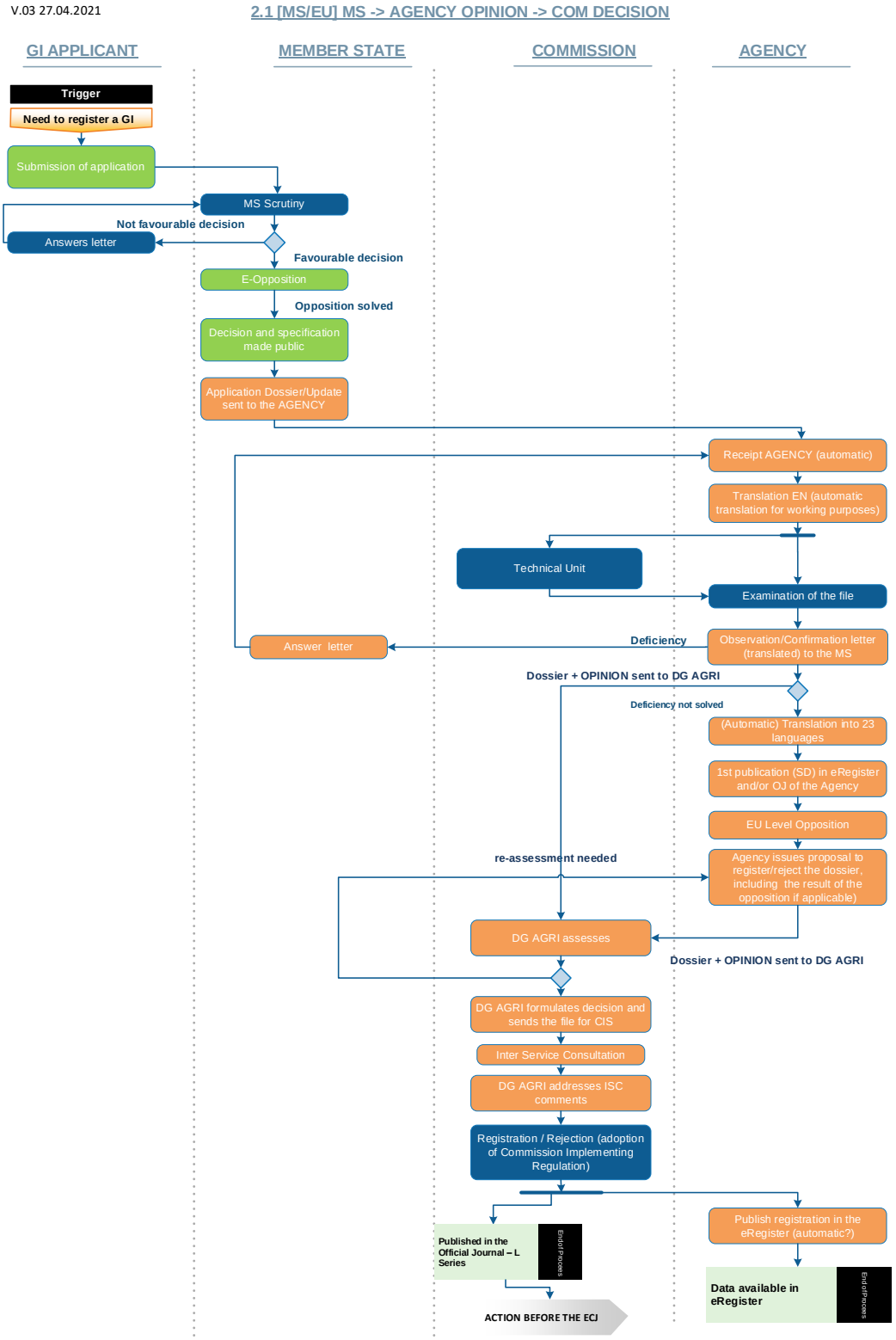
Following risks have been identified, with the following preliminary assessment. As mentioned in Section II problem framing and methodology, no mitigation actions are proposed at this stage.

Risk Description	Risk Severity	Risk Owner
The changes proposed to the procedures are ineffective/insignificant to the issues identified in the GI/TSG evaluation exercise	HIGH	COM

The level of complexity and the network of actors involved in the design, implementation and maintenance of the IT improvements proposed at MS level can be a serious barrier	HIGH	COM

66. 7. OPTION 2.1 MS -> AGENCY OPINION -> COM DECISION

MS level kept; EU level: Agency opinion (assessment and publication for opposition outsourced to an agency for issuance of a non-binding opinion to COM); COM retains legal decision (COM's decision on registration); Management of eRegister with an agency.



An aspect to be highlighted in this option is the Management of eRegister with an agency, as this is considered to have a significant positive impact on all benefits detailed in this analysis: effort, transparency, quality, customer journey.

66.1. 7.1. Length of the procedure

The following assumptions are underpinning the estimated values included in the table below:

– A performance management and customer centric approach is applied to the relation between an agency, the MS, and the PGs, leading to quick solutions for many of the deficiencies.

– The actions described to address the rest of the points in the analysis are implemented and will have a visible impact on the length of procedure, especially due to the reduction in time needed for solving deficiencies and elimination of translations for working purposes and making use of the latest technological advances.

– The estimations in the table are made departing from option 3.3 with additional 4 months for the COM decision step, for 98% of files, excluding cases with appeals, except the time to registration all cases (MS+EU Level), where files with oppositions and/or appeals are included.

Indicator	Baseline value	Estimated target value / efficiency gains
Time to registration for the applications with no link or product description issues (EU Level, no oppositions)	8 months (AGRI.B3 estimate)	10 months, Calculated as: Option 3.3 EU only: agency + 4 months for the COM for the decision and publication.
Time to registration for applications with no product description issues (EU Level, no oppositions)	18-24 months (AGRI.B3 estimate)	12 months
Time to registration for applications with no link description issues (EU Level, no oppositions)	18-24 months (AGRI.B3 estimate)	12 months
Time to send the first letter of observations	Target: 6 months Average: 7 months	Target: 2 months Performance: 1.6 months
Time to registration all cases (EU Level)	Target: N/A Performance: 2 - 5 yeas Average: 2 years	Target: N/A Performance: 3 years
Time to registration all cases (MS+EU Level)	Target: N/A Performance: 1 - 10 years Average: 5 - 6 years	Target: N/A Performance: Reduction of up to 2 years

66.2. 7.2. Perceived burden to registering a GI

The following indicators are proposed for monitoring and controlling the perceived burden or effort required for the registration of a GI file, and implicitly for the realisation of the simplification of the procedure benefits mentioned in previous section. The below target values are proposed against the benchmark of level of satisfaction of the members of the EUIPN with the collaboration in the convergence of tools and practices in the registration of other IPRs[115].

Indicator	Target value
Satisfaction of the MS with the duration of the GI registration procedure	50%
Satisfaction of the MS with the predictability of the registration outcome	70%
Perception of the added value of the GI scheme	High added value
Satisfaction of the MS with the front and back office tools	70%
Satisfaction of the COM with the quality of the dossier received from an agency	90%
Satisfaction of the MS with the interactions	N/A
Satisfaction of the PGs with the duration of the GI registration procedure	N/A
Satisfaction of the PGs with the predictability of the registration outcome	N/A

66.3. 7.3. Quality of the application

The following indicators are proposed for monitoring and controlling the quality of the GI applications, and the realisation of the satisfaction with the registration procedures benefits mentioned in previous section. The below target values are proposed by analogy against IPR registration benchmark values.

All initiatives described under Option 1 – IT Improvements are applicable to this option as well, the main target audience and participation is sought from the MS, and involving the PGs as well. More time (T0 + 5 years) can be allowed to achieve the proposed targets, given the increased size of the network.

Indicator	Current value	Target value
Formalities deficiency rate (PGs related details, completeness of the file)	**Not available**	**5%**
Link description deficiency rate	**95%**	**14%**
Product description deficiency rate	**Not available**	**7%**

[115] See BSC annex to the Annual Report: https://euipo.europa.eu/ohimportal/en/annual-report

66.4. 7.4. Quality of the output of the GI application assessment

The following indicators are proposed for monitoring and controlling the quality of the GI related EU level assessments (observation letters), and of the realisation of the satisfaction with the registration procedures benefits mentioned in previous section. The below target values are proposed by analogy against benchmark values by analogy observed in typical User Satisfaction Survey[116].

In addition, the following activities are assumed to be implemented: the COM could implement a series of targeted actions (see examples under Option 3.3) aiming to increase the quality of the GI assessment outputs (letters). For that purpose, a benefit realisation date of 3 years is foreseen.

Indicator	Target value
Satisfaction of the MS with the consistency of the observations	60%
Satisfaction of the MS with the clarity of the observations	90%
Satisfaction of the PGs with the consistency of the registration outcome	N/A
Satisfaction of the PGs with the clarity of the observations	N/A
Satisfaction of the MS on the overall registration journey	50%
Satisfaction of the PGs with the overall registration journey	50%
Compliance of observation letters with set quality criteria	75%

66.5. 7.5. Transparency of the registration journey

The following indicators are proposed for monitoring and controlling the perception of the transparency of the registration journey.

In addition, the following activities are assumed to be implemented: the COM could implement a series of targeted actions (see examples under Option 3.3 EU only: agency) aiming to substantially increase the perception on the transparency of the registration journey.

Indicator	Target value
Satisfaction of the MS with the information received on each dossier	80%
Satisfaction of the MS with the quality of the information on the latest changes in the scrutiny practice	80%
Satisfaction of the MS with their involvement in the decision making at the EU level	75%

[116] https://euipo.europa.eu/ohimportal/en/transparency-portal/organisational/user-satisfaction-survey?inheritRedirect=true

66.6. 7.6. Harmonised procedures at MS level

No changes foreseen with this option.

66.7. 7.7. Costs of registration

Assumptions used when estimating the proposed cost reductions in the table below:

– Several elements will be made more efficient compared with the baseline, if an agency selects and implements applicable customer centric practices in the communication with the MS for the advancements of the dossiers.

– COM will continue providing the technical infrastructure.

– 3 FTEs effort estimated to be needed for the decide and consult procedures, and COM preparation of the dossiers for the decide and consult procedures)

Any IT set up costs for an agency are excluded for the purpose of this analysis, as they would require detailed analysis of the current system as well as the acknowledgement of the preferred option amongst the ones proposed in this document.

Stakeholder	Baseline costs	Target costs / reduction
PG	MS application fee if applicable MS control fees if applicable	No changes under this option
COM - FTEs	16 FTEs	- 13 FTE
COM Monetary costs to handle GI files	EUR 33 500 per GI dossier	70% reduction in the cost per GI dossier.
Agency FTEs	3.75 FTE	9 FTE
Agency – Monetary costs to handle GI files	Not measured	Target: Product man-power unit cost: lower than baseline
MS management of dossiers	Not measured separately	30% efficiency gains

66.8. 7.8. Advantages and risks of this option

In addition to the relative advantages presented in section VI analysis and comparison of options and their impacts, the main advantages of this option for the MS and PG stakeholders relative to the rest of the options assessed, is:

– MS and PG could benefit from advanced technology accompanying their journey to GI registration while maintaining close relationships with their local contact points.

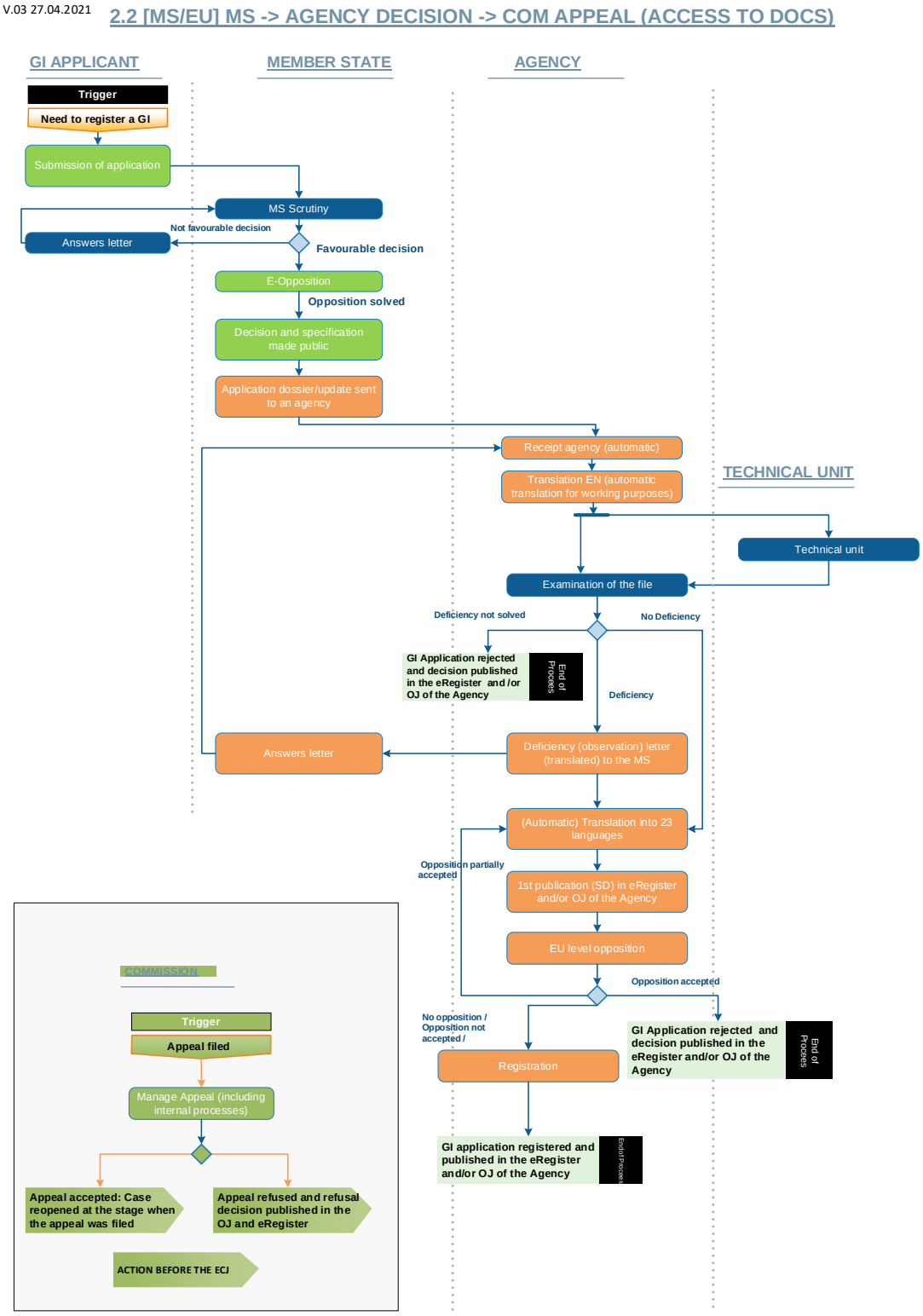
– MS and PGs could benefit from increased clarity and consistency of observations by making use of an agency's extensive experience in applying quality management standards for its examination outputs.

Following risks have been identified, with the following preliminary assessment. As mentioned in Section II problem framing and methodology, no mitigation actions are proposed at this stage.

Risk Description	Risk Severity	Risk Owner
Potential risk of confusion at MS and PG level of the split of responsibilities between an agency and the COM	MEDIUM	Agency/COM
Risks of reputational damages due to potential conflicts on the ownership of the decision / assuming the responsibility of the decision at political level	HIGH	Agency/COM
Risk of duplication of efforts between an agency and the COM	HIGH	Agency/COM
Risk of lack of legal certainty; the Commission decision has a dual nature, i.e. it pronounces itself on two matters at the same time (the recommendation of an agency and the GI application as such)	HIGH	Agency/COM

67. 8. OPTION 2.2 [MS/EU] MS -> AGENCY DECISION -> COM APPEAL (ACCESS TO DOCS)

MS level kept; EU level: Agency decision (assessment and decision by an agency, including the opposition); appeal to COM; revised GI registration scheme; Management of eRegister with an agency.



An aspect to be highlighted in this option is the Management of eRegister with an agency, as this is considered to have a significant positive impact on all benefits detailed in this analysis: effort, transparency, quality, customer journey.

67.1. 8.1. Length of the procedure

The following assumptions are underpinning the estimated values included in the table below:

- Both the final decision of an agency after the opposition stage and an agency's decision to reject the file and not proceed to the first publication can be appealed by the applicant or the MS concerned.
- An agency part of the flow should follow similar length of procedure as for other IPR registration procedures.
- A performance management and customer centric approach is applied in the relation between an agency and the MS, leading to quick solutions for many of the deficiencies.
- The actions described in previous sections of this document are implemented and will have a visible impact on the length of procedure, especially due to the reduction in time needed for solving deficiencies and elimination of translations for working purposes and making use of the latest technological advances.
- No changes are applied to the length of procedure of the MS level procedure.
- Considering the expected very low volume of incoming appeals, for easing the calculations, this analysis considers that the Appeal with the COM does not affect the length of procedure of the registration procedures as compared with option 3.1, 3.2 and 3.3 where the appeal can be filed before an appeal body of an agency.
- The estimations in the table are made departing from option 3.3, for 98% of files, excluding cases with appeals, except the time to registration all cases (MS+EU Level), where files with oppositions and/or appeals are included.

Indicator	Baseline value	Estimated target value / efficiency gains
Time to registration for the applications with no link or product description issues (EU Level, no oppositions)	8 months (AGRI.B3 estimate)	6 months
Time to registration for applications with no product description issues (EU Level, no oppositions)	18-24 months (AGRI.B3 estimate)	8 months
Time to registration for applications with no link description issues (EU Level, no oppositions)	18-24 months (AGRI.B3 estimate)	8 months
Time to send the first letter of observations	Target: 6 months	Target: 2 months
	Average: 7 months	Performance: 1.6

		months
Time to registration all cases (EU Level)	Target: N/A Performance: 2 - 5 yeas Average: 2 years	Target: N/A Performance: max 2 years
Time to registration all cases (MS+EU Level)	Target: N/A Performance: 1 - 10 years Average: 5 - 6 years	Target: N/A Performance: Reduction of up to 3 years

67.2. 8.2. Perceived burden to registering a GI

Indicator	Target value
Satisfaction of the MS with the duration of the GI registration procedure	80%
Satisfaction of the MS with the predictability of the registration outcome	75%
Perception of the added value of the GI scheme	High added value
Satisfaction of the MS with the front and back office tools	70%
Satisfaction of the COM with the quality of the dossier received from an agency	N/A
Satisfaction of the MS with the interactions	N/A
Satisfaction of the PGs with the duration of the GI registration procedure	N/A
Satisfaction of the PGs with the predictability of the registration outcome	N/A

67.3. 8.3. Quality of the application

The following indicators are proposed for monitoring and controlling the quality of the GI applications, and of the realisation of the satisfaction with the registration procedures benefits mentioned in the previous section. The below target values are proposed by analogy to the benchmark values for similar IPR registration procedures[117].

All initiatives described under Option 1 – IT Improvements are applicable to this option as well, the main target audience and participation is sought from the MS, and involving the PGs as well. More time (5 years) can be allowed to realise the proposed targets, given the increased size of the network.

Indicator	Current value	Target value
Formalities deficiency rate (PGs related details, completeness of the file)	Not available	5%
Link description deficiency rate	95%	14%

[117] See BSC annex of the Annual Report: https://euipo.europa.eu/ohimportal/en/annual-report

Product description deficiency rate	Not available	7%

67.4. 8.4. Quality of the output of the GI application assessment

The following indicators are proposed for monitoring and controlling the quality of the output of the GI application assessments (observation letters and decisions), and the realisation of the satisfaction with the registration procedures benefits mentioned in the previous section. The below target values are proposed by analogy to benchmark values of typical User Satisfaction Survey results in the IPR registration sector[118].

In addition, following activities are assumed to be implemented: an agency will apply a series of targeted actions (see examples under Option 3.3 EU only: agency) aiming to substantially increase the quality of the GI assessment outputs (decisions and letters). For that purpose, a benefit realisation date of 3 years is foreseen.

Indicator	Target value
Satisfaction of the MS with the consistency of the observations	80%
Satisfaction of the MS with the clarity of the observations	95%
Satisfaction of the PGs with the consistency of the registration outcome	N/A
Satisfaction of the PGs with the clarity of the observations	N/A
Satisfaction of the MS on the overall registration journey	70%
Satisfaction of the PGs with the overall registration journey	90%
Compliance of decision / observation letters with set quality criteria	90%

67.5. 8.5. Transparency of the registration journey

Following indicators are proposed for monitoring and controlling the perception of the transparency of the registration journey.

In addition, following activities are assumed to be implemented: the COM could implement a series of targeted actions (see examples under Option 3.3 EU only: agency) aimed to substantially increase the perception on the transparency of the registration journey.

Indicator	Target value
Satisfaction of the MS with the information received on each dossier	95%
Satisfaction of the MS with the quality of the information on the latest changes in the scrutiny practice	95%

[118] See https://euipo.europa.eu/ohimportal/en/transparency-portal/organisational/user-satisfaction-survey?inheritRedirect=true

Satisfaction of the MS with their involvement in the decision making at the EU level	80%

67.6. 8.6. Harmonised procedures at MS level

No changes foreseen to the current situation in the scenario that this option is implemented.

67.7. 8.7. Costs of registration

Assumption: several elements will be made more efficient compared with the baseline, if an agency selects and implements applicable customer centric practices in the communication with the MS for the advancements of the dossiers.

Any IT set up costs for an agency are excluded for the purpose of this analysis, as they would require detailed analysis of the current system as well as the acknowledgement of the preferred option amongst the ones proposed in this document. 2 FTEs effort estimated to be needed by the COM for any procedures related to appeals management, given the very low expected number of appeals

Stakeholder	Baseline costs	Target costs / reduction
PG	MS application fee if applicable MS control fees if applicable	No changes under this option
COM - FTEs	16 FTEs	- 14 FTE
COM Monetary costs to handle GI files	EUR 33 500 per GI dossier	95% reduction in the cost per GI dossier (Estimated costs for appeals management at max 5% of baseline GI file cost)
Agency FTEs	3.75 FTE	10 FTE
Agency – Monetary costs to handle GI files	Not measured	Target: Product man-power unit cost: lower than baseline Agency
MS management of dossiers	Not measured separately	30% efficiency gains

67.8. 8.8. Advantages and risks of this option

In addition to the relative advantages presented in section VI analysis and comparison of options and their impacts, the main advantages of this option for the MS and PG stakeholders relative to the rest of the options assessed, are:

– MS and PG could benefit from advanced technology accompanying their journey to GI registration while maintaining close relationships with their local contact points.

– MS and PGs could benefit from increased clarity and consistency of observations and decisions by making use of an agency's extensive experience in applying quality management standards for its examination outputs.

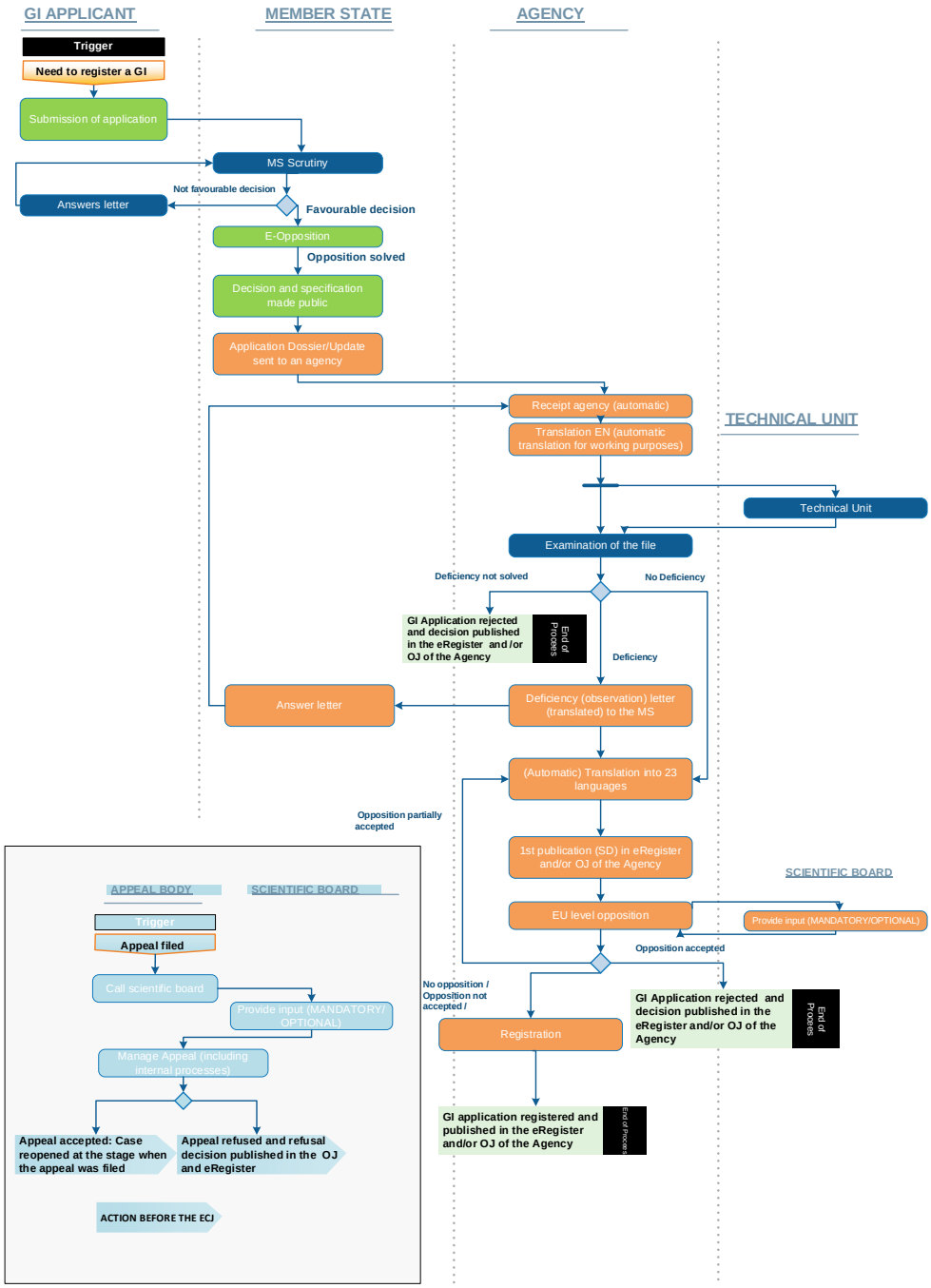
Following risks have been identified, with the following preliminary assessment. As mentioned in Section II problem framing and methodology, no mitigation actions are proposed at this stage.

Risk Description	Risk Severity	Risk Owner
Risk of lack of expertise for the products sectors in an agency	LOW	Agency
Risk of confusion for choosing the applicable administrative procedure for the appeals.	MEDIUM	Agency/COM

68. 9. OPTION 3.1 [MS/EU - AGENCY ONLY] MS -> AGENCY DECISION -> APPEAL BODY + SCIENTIFIC BOARD

MS level kept; EU level: Agency decision with input from the Scientific Board[119] (optional); appeal to an appeal body with input from the Scientific Board (optional); revised GI registration scheme; Management of eRegister with an agency.

[119] A Scientific Board is envisaged as a body of experts who can be called on *ad hoc* basis for the needs of the assessment of a particular GI file, or the subsequent appeal. These experts would be at disposal of the agency, i.e. can be considered as expert witnesses called when the need for an expert opinion is required.



An aspect to be highlighted in this option is the Management of eRegister with an agency, as this is considered to have a significant positive impact on all benefits detailed in this analysis: effort, transparency, quality, customer journey.

68.1. 9.1. Length of the procedure

The estimations in the table are made departing from option 3.3, for 98% of files, excluding cases with appeals, except the time to registration all cases (MS+EU Level), where files with oppositions and/or appeals are included.

Indicator	Baseline value	Estimated target value / efficiency gains
Time to registration for the applications with no link or product description issues (EU Level, no oppositions)	8 months (AGRI.B3 estimate)	6 months
Time to registration for applications with no product description issues (EU Level, no oppositions)	18-24 months (AGRI.B3 estimate)	8 months
Time to registration for applications with no link description issues (EU Level, no oppositions)	18-24 months (AGRI.B3 estimate)	8 months
Time to send the first letter of observations	Target: 6 months	Target: 2 months
	Average: 7 months	Performance: 1.6 months
Time to registration all cases (EU Level)	Target: N/A	Target: N/A
	Performance: 2 - 5 yeas	Performance: max 2 years
	Average: 2 years	
Time to registration all cases (MS+EU Level)	Target: N/A	Target: N/A
	Performance: 1 - 10 years	Performance: Reduction of up to 4 years
	Average: 5 - 6 years	

68.2. 9.2. Perceived burden to registering a GI

Indicator	Target value
Satisfaction of the MS with the duration of the GI registration procedure	80%
Satisfaction of the MS with the predictability of the registration outcome	80%
Perception of the added value of the GI scheme	High added value
Satisfaction of the MS with the front and back office tools	90%
Satisfaction of the COM with the quality of the dossier received from an agency	N/A
Satisfaction of the MS with the interactions	N/A
Satisfaction of the PGs with the duration of the GI registration procedure	N/A
Satisfaction of the PGs with the predictability of the registration outcome	N/A

68.3. 9.3. Quality of the application

Following indicators are proposed for monitoring and controlling the quality of the GI applications, and of the realisation of the satisfaction with the registration procedures benefit mentioned in previous section. The below target values are proposed by analogy against the benchmark values for similar IPR registration procedures[120].

[120] See BSC annex to the EUIPO Annual Report: https://euipo.europa.eu/ohimportal/en/annual-report

All initiatives described under Option 1 – IT Improvements are applicable to this option as well, the main target audience and participation is sought from the MS, and involving the PGs as well. More time can be allowed to realise the proposed targets, given the increased size of the network.

Indicator	Current value	Target value
Formalities deficiency rate (PGs related details, completeness of the file)	Not available	5%
Link description deficiency rate	95%	14%
Product description deficiency rate	Not available	7%

68.4. 9.4. Quality of the output of the GI application assessment

Following indicators are proposed for monitoring and controlling the quality of the output of the GI application assessments (observation and decision letters), and the realisation of the satisfaction with the registration procedures benefit mentioned in previous section. The below target values are proposed by analogy against benchmark values included in typical User Satisfaction Survey[121] results. The Scientific Board added in options 3.1, 3.2 and 3.3 will significantly contribute to ensuring the consistency of the assessment outputs.

In addition, following activities are assumed to be implemented: an agency will apply a series of targeted actions (see examples under Option 3.3 EU only: Agency) aimed to substantially increase the quality of the GI assessment outputs (decision and observation letters). For that purpose, a benefit realisation date of 3 years is foreseen.

Indicator	Target value
Satisfaction of the MS with the consistency of the observations	80%
Satisfaction of the MS with the clarity of the observations	95%
Satisfaction of the PGs with the consistency of the registration outcome	N/A
Satisfaction of the PGs with the clarity of the observations	N/A
Satisfaction of the MS on the overall registration journey	90%
Satisfaction of the PGs with the overall registration journey	90%
Compliance of decision / observation letters with set quality criteria	90%

68.5. 9.5. Transparency of the registration journey

Following indicators are proposed for monitoring and controlling the perception of the transparency of the registration journey.

[121] See https://euipo.europa.eu/ohimportal/en/transparency-portal/organisational/user-satisfaction-survey?inheritRedirect=true

In addition, following activities are assumed to be implemented: an agency could implement a series of targeted actions (see examples under Option 3.3 EU only: Agency) aimed to substantially increase the perception on the transparency of the registration journey.

Indicator	Target value
Satisfaction of the MS with the information received on each dossier	95%
Satisfaction of the MS with the quality of the information on the latest changes in the scrutiny practice	95%
Satisfaction of the MS with their involvement in the decision making at the EU level	95%

68.6. 9.6. Harmonised procedures at MS level

No changes foreseen in the scenario that this option is implemented.

68.7. 9.7. Costs of registration

Assumptions:

– Several elements will be made more efficient compared with the baseline, if an agency selects and implements applicable customer centric practices in the communication with the MS for the advancements of the dossiers, see examples in the option 3.3.

– A number of staff will be trained in an agency to increase the organisational capacity to handle GI applications.

– An agency is highly unlikely to encounter any difficulties when absorbing an additional volume of GI applications.

Any IT set up costs for an agency are excluded for the purpose of this analysis, as they would require detailed analysis of the current system as well as the acknowledgement of the preferred option amongst the ones proposed in this document.

Stakeholder	Baseline costs	Target costs / reduction
PG	MS application fee if applicable MS control fees if applicable	No changes under this option
COM - FTEs	16 FTEs	- 16 FTE
COM Monetary costs to handle GI files	EUR 33 500 per GI dossier	100% reduction in the cost per GI dossier.
Agency FTEs	3.75 FTE	12 FTE
Agency – Monetary costs to handle GI files	Not measured	Target: Product man-power unit cost: equal to baseline Agency

MS management of dossiers	Not measured separately	30% efficiency gains

68.8. 9.8. Advantages and risks of this option

In addition to the relative advantages presented in section VI analysis and comparison of options and their impacts, the main advantages of this option for the MS and PG stakeholders relative to the rest of the options assessed, is:

– MS and PG could benefit from advanced technology accompanying their journey to GI registration while maintaining close relationships with their local contact points.

– MS and PGs could benefit from increased clarity and consistency of observations, and decisions and consistency of appeals by making use of an agency's extensive experience in applying quality management standards for its examination outputs.

– Finally, introducing a Scientific Board to the registration procedure would provide for an additional assurance towards the MS and PG of final outputs.

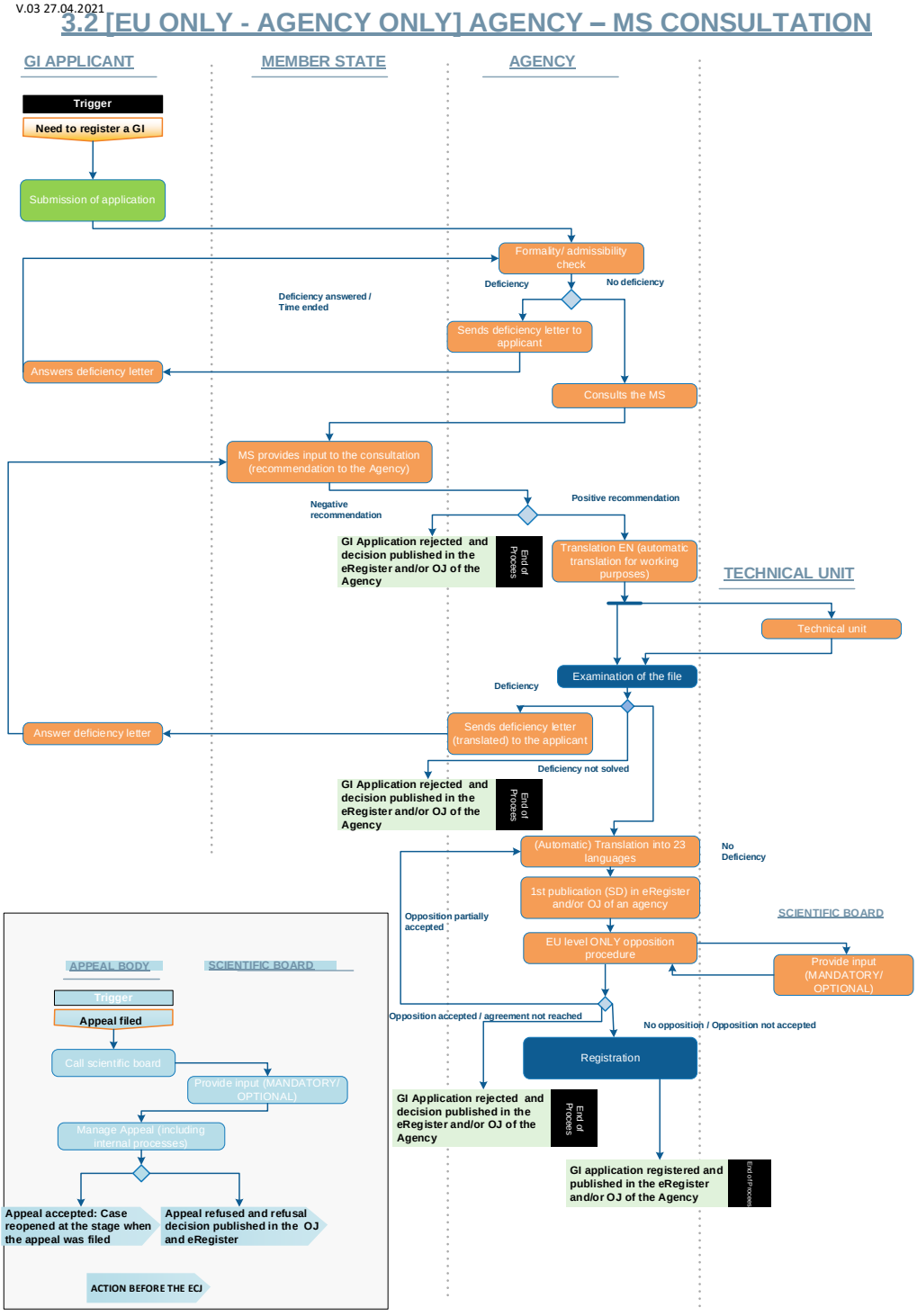
Following risks have been identified, with the following preliminary assessment. As mentioned in Section II problem framing and methodology, no mitigation actions are proposed at this stage.

Risk Description	Risk Severity	Risk Owner
Risk of lack of expertise for the products sectors in an agency	LOW	Agency
Risk of confusion for choosing the applicable administrative procedure for the appeals.	MEDIUM	Agency

69. 10. OPTION 3.2 [EU ONLY - AGENCY ONLY] AGENCY – MS CONSULTATION

No MS level, but MS consulted as part of the EU level registration procedure; Agency decision with input from the MS and the Scientific Board[122] (optional); appeal to an appeal body with input from the Scientific Board (optional); revised GI registration scheme; Management of eRegister with an agency.

[122] Idem 13.



An aspect to be highlighted in this option is the Management of eRegister with an agency, as this is considered to have a significant positive impact on all benefits detailed in this analysis: effort, transparency, quality, customer journey.

69.1. 10.1. Length of the procedure

Compared to option 3.3 EU Only: agency, it is proposed that 5 months additional time is envisaged for the MS consultation step foreseen in the flow. The calculations are made for 98% of files, excluding cases with appeals in all

cases, except the time to registration all cases (MS+EU Level), where cases with oppositions and/or appeals are included.

Indicator	Baseline value	Estimated target value / efficiency gains
Time to registration for the applications with no link or product description issues (EU Level, no oppositions)	8 months (AGRI.B3 estimate)	11 months
Time to registration for applications with no product description issues (EU Level, no oppositions)	18-24 months (AGRI.B3 estimate)	12 months
Time to registration for applications with no link description issues (EU Level, no oppositions)	18-24 months (AGRI.B3 estimate)	12 months
Time to send the first letter of observations	Target: 6 months	Target: 2 months
	Average: 7 months	Performance: 1.6 months
Time to registration all cases (EU Level)	Target: N/A	Target: N/A
	Performance: 2 - 5 yeas	Performance: N/A
	Average: 2 years	
Time to registration all cases (MS+EU Level)	Target: N/A	Target: N/A
	Performance: 1 - 10 years	Performance: 1-year average
	Average: 5 - 6 years	

69.2. 10.2. Perceived burden to registering a GI

User Satisfaction Surveys to the PGs and a Satisfaction Surveys could be launched to the MS[123].

Indicator	Target value
Satisfaction of the MS with the duration of the GI registration procedure	N/A
Satisfaction of the MS with the predictability of the registration outcome	N/A
Perception of the added value of the GI scheme	High added value
Satisfaction of the MS with the front and back office tools	90%
Satisfaction of the COM with the quality of the dossier received from an agency	N/A
Satisfaction of the MS with the interactions	80%
Satisfaction of the PGs with the duration of the GI registration procedure	80%

[123] For example, and as a benchmark, the latest EUIPO's (i.e. a comparable IPR Agency) USS figures show a very high satisfaction rate, 90%, with the services provided. And the process for handling complaints at EUIPO is also designed and implemented applying the highest standard available, the ISO10002 standard, to ensure that the applicants receive the best treatment possible at the moment of their interaction with the EUIPO.

Satisfaction of the PGs with the predictability of the registration outcome	70%

69.3. 10.3. Quality of the application

Following indicators are proposed for monitoring and controlling the quality of the GI applications, and of the realisation of the satisfaction with the registration procedures benefit mentioned in previous section. The below target values are proposed by analogy against the benchmark values for similar IPR registration procedures[124].

All initiatives described under option 1 are applicable to this option as well, the main target audience and participation is sought from the MS and involving the PGs as well. More time can be allowed to realise the proposed targets, given the increased size of the network.

Indicator	Current value	Target value
Formalities deficiency rate (PGs related details, completeness of the file)	Not available	5%
Link description deficiency rate	95%	14%
Product description deficiency rate	Not available	7%

69.4. 10.4. Quality of the output of the GI application assessment

Following indicators are proposed for monitoring and controlling the quality of the GI related EU level assessments (observation and decision letters), and of the realisation of the satisfaction with the registration procedures benefit mentioned in previous section. The below target values are proposed by analogy against benchmark values by analogy included in typical User Satisfaction Survey results[125].

The Scientific Board added in options 3.1, 3.2 and 3.3 will significantly contribute to ensuring the consistency of the registration outcome.

In addition, following activities are assumed to be implemented: an agency will apply a series of targeted actions (see examples under Option 3.3) aimed to substantially increase the quality of the GI assessment outputs (decisions and letters). For that purpose, a benefit realisation date of 3 years is foreseen.

Indicator	Target value
Satisfaction of the MS with the consistency of the observations	N/A

[124] See BSC annex to the Annual Report: https://euipo.europa.eu/ohimportal/en/annual-report

[125] https://euipo.europa.eu/ohimportal/en/transparency-portal/organisational/user-satisfaction-survey?inheritRedirect=true

Satisfaction of the MS with the clarity of the observations	N/A
Satisfaction of the PGs with the consistency of the registration outcome	80%
Satisfaction of the PGs with the clarity of the observations	95%
Satisfaction of the MS on the overall registration journey	70%
Satisfaction of the PGs with the overall registration journey	80%
Compliance of decisions / observation letters with set quality criteria	90%

69.5. 10.5. Transparency of the registration journey

Following indicators are proposed for monitoring and controlling the perception of the transparency of the registration journey.

In addition, following activities are assumed to be implemented: An agency could implement a series of targeted actions (see examples under Option 3.3) aimed to substantially increase the perception on the transparency of the registration journey.

This aspect is considered a quick win; hence the proposed target values are close to the maximum possible value.

Indicator	Target value
Satisfaction of the MS with the information received on each dossier	95%
Satisfaction of the MS with the quality of the information on the latest changes in the scrutiny practice	95%
Satisfaction of the MS with their involvement in the decision making at the EU level	95%

69.6. 10.6. Harmonised procedures at MS level

Under this option it is proposed that the applicant files the application directly with an agency, implicitly, there is one unique procedure at the EU level. Therefore, the problem of harmonisation of procedures at MS level cease to exist. The cooperation with the MS authorities could be improved by creating and managing various cooperation models, including the cooperation with the production and market control authorities in the enforcement side[126].

69.7. 10.7. Costs of registration

Assumptions:

[126] At the EU level such cooperation schemes exist in relation to Intellectual Property issues, i.e. the EU IP Cooperation Scheme led by the EUIPO

– Significant effort is still required from the MS to be able to recommend a way forward on the GI dossiers as compared with the MS effort estimated for Option 3.3. EU Level Agency only, even if the MS is not performing a national level scrutiny upfront (as in options 1, 2.2, 2.2 and 3.1).

– An agency effort is estimated at 15 FTEs for managing GI applications, at least until the organisational experience is built and the efficiency gains are realised.

Any IT set up costs for an agency are excluded for the purpose of this analysis, as they would require detailed analysis of the current system as well as the acknowledgement of the preferred option amongst the ones proposed in this document.

Stakeholder	Baseline costs	Target costs / reduction
PG	MS application fee if applicable MS control fees if applicable	Application fee: to cover the operational costs of an agency
COM - FTEs	16 FTEs	- 16 FTE
COM Monetary costs to handle GI files	EUR 33 500 per GI dossier	100% reduction in the cost per GI dossier.
Agency FTEs	3.75 FTE	15 FTE
Agency – Monetary costs to handle GI files	Not measured	Target: Product man-power unit cost: higher than baseline
MS management of dossiers	Not measured separately	80% efficiency gains

69.8. 10.8. Advantages and risks of this option

In addition to the relative advantages presented in section VI analysis and comparison of options and their impacts, the main advantages of this option for the MS and PG stakeholders relative to the rest of the options assessed, is:

– MS and PG could benefit from advanced technology accompanying their journey to GI registration while maintaining close relationships with their local contact points.

– MS and PGs could benefit from increased clarity and consistency of observations, and decisions and consistency of appeals by making use of an agency's extensive experience in applying quality management standards for its examination outputs.

– Introducing a Scientific Board to the registration procedure would provide for an additional assurance towards the MS and PG of final outputs.

– MS would experience significant efficiency gains by having only one EU level opposition procedure, while maintaining the control of the quality scheme at national level and by adding value to the GI quality scheme through expertise in regional and national specificities

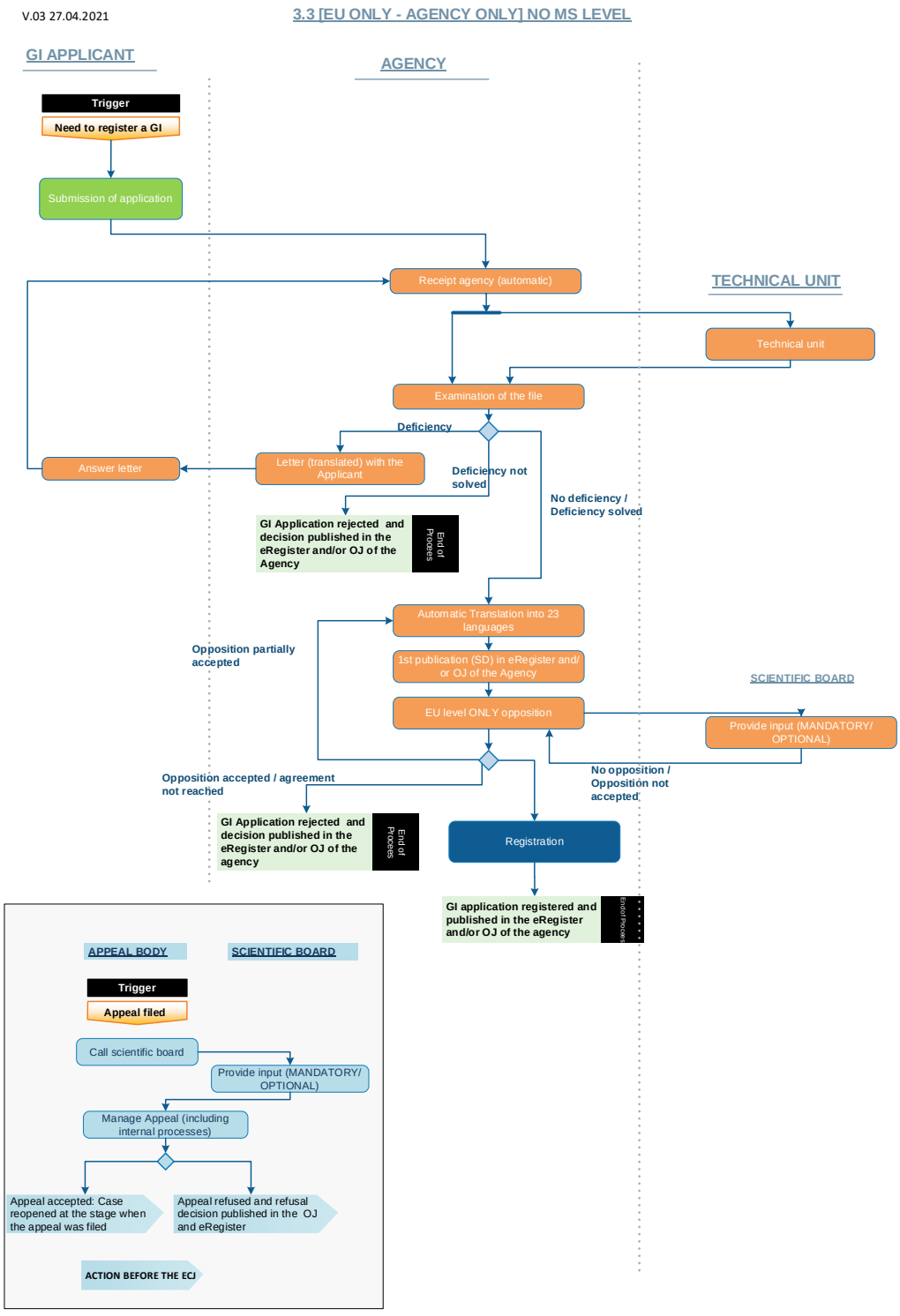
Following risks have been identified, with the following preliminary assessment. As mentioned in Section II problem framing and methodology, no mitigation actions are proposed at this stage.

Risk Description	Risk Severity	Risk Owner
Moderate likelihood that the MS oppose the EU level only procedure, given their added value in the relation with the PGs.	MEDIUM	COM
Risk of decrease in the number of new applications due to low reach of the potential interested PGs	MEDIUM	Agency

70. 11. OPTION 3.3 [EU ONLY - AGENCY ONLY] NO MS LEVEL

Single procedure at the EU level (no MS level; full procedure control including appeals before an appeal body, with consultation of the Scientific Board[127] option); Management of eRegister with an agency.

[127] Idem 13.



An aspect to be highlighted in this option is the Management of eRegister with an agency, as this is considered to have a significant positive impact on all benefits detailed in this analysis: effort, transparency, quality, customer journey.

70.1. 11.1. Length of the procedure

The proposed targets in the table have been estimated by analogy with IPR registration values[128].

Considering all quality improvements efforts described in the previous options, following could be considered[129]:

Indicator	Baseline value	Estimated target value / efficiency gains	Comments
Time to registration for the applications with no link or product description issues (EU Level, no oppositions)	8 months (AGRI.B3 estimate)	6 months	Equivalent of average time to registration for a fast track and straight through application
Time to registration for applications with no product description issues (EU Level, no oppositions)	18-24 months (AGRI.B3 estimate)	8 months	Equivalent of average time to registration for a straight through application
Time to registration for applications with no link description issues (EU Level, no oppositions)	18-24 months (AGRI.B3 estimate)	8 months	Equivalent of average time to first action for the non-straight through cases
Time to first action for the applications with issues (Time to send the first letter of observations)	Target: 6 months Average: 7 months	Target: 2 months Performance: 1.6 months	
Time to registration all cases (EU Level)	Performance: 2 - 5 yeas Average: 2 years	Target: N/A Performance: less than 1-year average	100% of files, including cases with oppositions and/or appeals
Time to registration all cases (MS130+EU Level)	Performance: 1 - 10 years Average: 5 - 6 years		

[128] As a reference another IPR procedure was considered, i.e. the average registration time for all EU TMs applications including cases with deficiencies, objections and (multiple) oppositions decreased from 310 days in 2010 to 185.9 days in 2020, against the background that the number of TM applications increased from 98376 applications in 2010 to 176987 TM applications in 2020) - source TMview, date of extraction 12 March 2021).

[129] Source: EUIPO Q1 2021 Service Charter: https://euipo.europa.eu/ohimportal/en/euipo-service-charter

[130] Although in this option there is no MS level part of the registration procedure, the entirety of the procedure is considered for comparison reasons.

70.2. 11.2. Perceived burden to registering a GI

The table below presents a proposed number of indicators and corresponding estimated target values for monitoring the realisation of the reduction of burden benefit. A target realisation time of 5 years could be allowed for managing the transition time.

Indicator	Target value
Satisfaction of the MS with the duration of the GI registration procedure	N/A
Satisfaction of the MS with the predictability of the registration outcome	N/A
Perception of the added value of the GI scheme	High added value
Satisfaction of the MS with the front and back office tools	90%
Satisfaction of the COM with the quality of the dossier received from an agency	N/A
Satisfaction of the MS with the interactions	N/A
Satisfaction of the PGs with the duration of the GI registration procedure	80%
Satisfaction of the PGs with the predictability of the registration outcome	70%

70.3. 11.3. Quality of the application

The quality of the application can be controlled through various means and multiple methods. As an example[131], a number of initiatives can be implemented to this end, such as: creation of a Key Users concept, monitoring the quality of the answers to the inquires, available live support when filing applications, various automatic checks in the eFilling tool, training and awareness raising with the applicants and their representatives, creation and discussion in a network of a number of guidelines for assessment of the application, sharing those guidelines with the applicants and their representatives, just to mention a few.

Along these lines, by analogy with the situation of IPR files, the target deficiency letters sent could look like the following:

– Formalities deficiency rate: target 5.0% (5% of the applications do not comply with the legal requirements regarding address, name, legal form; this problem needs to be solved by means of letters exchange).

– Link related deficiencies target 14% of the applications[132].

[131] As a reference, the EUIPO SP2020 was focused on increasing the efficiency gains by means of increasing the quality of the applications received.

[132] Benchmark: Q1 BSC EUIPO Classification deficiency rate: 14% of the TM applications have a goods and services problem. By analogy, since the link to the geographical area seems to be the most difficult aspect to address in a GI application, this target value could be chosen for LINK related deficiencies / observations.

– Product description related observations: target 7% of the received applications[133].

Indicator	Current value	Target value
Formalities deficiency rate (PGs related details, completeness of the file)	Not available	5%
Link description deficiency rate	95%	14%
Product description deficiency rate	Not available	7%

70.4. 11.4. Quality of the output of the GI application assessment

Consistency of decision letters is an aspect typically intensively monitored, and it can be measured by two means: satisfaction with the consistency[134] of the answers received, and compliance with objective quality criteria[135]. Also, joint initiatives between the examiners and applicants or their representatives could be organised for the purpose of ensuring the quality of the product (observation and decision letters of an agency[136]).

The Scientific Board added in options 3.1, 3.2 and 3.3 will significantly contribute to ensuring the consistency of the registration outcome.

Indicator	Target value
Satisfaction of the MS with the consistency of the observations	N/A
Satisfaction of the MS with the clarity of the observations	N/A
Satisfaction of the PGs with the consistency of the registration outcome	80%
Satisfaction of the PGs with the clarity of the observations	95%
Satisfaction of the MS on the overall registration journey	70%
Satisfaction of the PGs with the overall registration journey	80%
Compliance of decision and observation letters with set quality criteria	90%

[133] Benchmark: Absolute Grounds objection rate: 7% of the applications receive a letter of objection on the basis on one of the AG grounds foreseen in the Regulation. By analogy, this aspect could be considered equivalent of the description of the product, e.g. texture, colour, etc

[134] For example, EUIPO USS results: 77 % of respondents, while only 1% of applicants would use "inconsistent" to describe the EUIPO products (decisions and letters sent).

[135] For example, in the case of the EUIPO this indicator usually performs close to 99%.

[136] For example, the Stakeholders Quality Assurance Programme at the EUIPO.

70.5. 11.5. Transparency of the registration journey

This requirement could be solved by inclusion of the GI applications in the User Area, setting up a series of notification systems, creation of discussion fora, community management, customer centric approach, regular contacts, etc.

Assumptions: An agency could implement a series of targeted actions aimed to substantially increase the perception on the transparency of the registration journey. Following target values are proposed to start with. This aspect is considered a quick win; hence the proposed target values are close to the maximum possible value.

Indicator	Target value
Satisfaction of the MS with the information received on each dossier	95%
Satisfaction of the MS with the quality of the information on the latest changes in the scrutiny practice	95%
Satisfaction of the MS with their involvement in the decision making at the EU level	N/A

70.6. 11.6. Harmonised procedures at MS level

Under this option it is proposed that the applicant files the application directly with an agency, implicitly, there is one unique procedure at the EU level. Therefore, the problem of harmonisation of procedures at MS level cease to exist. The cooperation with the MS authorities could be integrated in the EU IP Cooperation Scheme[137], including the cooperation with the production and market control authorities in the enforcement side.

70.7. 11.7. Costs of registration

For the Applicants: additional application fee may be added, considering a scenario where the GI application at EU level would have a similar amount of fee as a TM application.

Any IT set up costs for an agency are excluded for the purpose of this analysis, as they would require detailed analysis of the current system as well as the acknowledgement of the preferred option amongst the ones proposed in this document..

Stakeholder	Baseline costs	Target costs / reduction
PG	MS application fee if applicable MS control fees if applicable	Application fee: to cover the operational costs of an agency

[137] https://euipo.europa.eu/ohimportal/en/strategic-drivers/ipnetwork

COM - FTEs	16 FTEs	- 16 FTE
COM Monetary costs to handle GI files	EUR 33 500 per GI dossier	100% reduction in the cost per GI dossier.
Agency FTEs	3.75 FTE	20 FTE
Agency – Monetary costs to handle GI files	Not measured	Target: Product man-power unit cost: way higher than baseline
MS management of dossiers	Not measured separately	100% efficiency gains.

70.8. 11.8. Advantages and risks of this option

In addition to the relative advantages presented in section VI analysis and comparison of options and their impacts, the main advantages of this option for the MS and PG stakeholders relative to the rest of the options assessed, is:

– MS and PG could benefit from advanced technology, shorter timelines and excellent customer care accompanying their journey to GI registration.

– MS and PGs could benefit from increased clarity and consistency of observations, and decisions and consistency of appeals by making use of an agency's extensive experience in applying quality management standards for its examination outputs.

– Introducing a Scientific Board to the registration procedure would provide for an additional assurance towards the MS and PG of final outputs.

– MS would experience significant efficiency gains in the GI dossiers management and dedicate their resources to more added value tasks.

Following risks have been identified, with the following preliminary assessment. As mentioned in Section II problem framing and methodology, no mitigation actions are proposed at this stage.

Risk Description	Risk Severity	Risk Owner
High likelihood that the MS oppose the EU level only procedure, given their added value in the relation with the PGs.	HIGH	COM
Risk of substantially decrease in the effectiveness of the GI quality scheme due to lack of direct involvement of the MS	HIGH	Agency/COM
Risk of decrease in the number of new applications due to low reach of the potential interested PGs	MEDIUM	Agency/COM

12. MANAGEMENT OF THE GI EREGISTER

The GI eRegister is understood to play a significant role in achieving a positive impact on all aspects detailed in this analysis: reduction of the length of the GI registration procedure and reduction of the perceived burden. It is also particularly relevant for increasing the transparency of the GI registration journey and finally for creating a shared IT user experience among EU producers' groups.

The existing IT landscape (the hardware, the servers, the systems, and their integrations) that supports the existing GI registration procedure is considered a complex one and the process of moving/replacing IT systems needs careful consideration of cost//benefit.

Nevertheless, an agency would have certain advantages in managing the IT systems supporting the well-functioning of the GI registration process that could be explored. Therefore the options explored in the previous section look at the involvement of an agency in the management of the eRegister, with a view to taking advantage of an agency's experience, flexibility, agility and availability of resources and knowledge, as well as synergies with other IPRs if handled by an agency.

As a first step, under the assumption that an eRegister can be considered an independent system in the COM IT landscape, this tool could be transferred to an agency independently. It would integrate with the GI examination tool and would include all currently existing GI files - all statuses. Additionally, it would:

- Allows users to track changes in their GI files
- Have a new modern user interface with extended search capabilities.
- Display GIs that have protection in the EU by means of international agreements.
- Integrate with existing IP enforcement tools.
- Provide Search Services to 3rd party tools.

For all proposed options except baseline, a transition period of 2-3 years is implied. During this period, all systems (e.g. eAmbrosia *back office*) could be provided as a service by the COM if decision is made to that end.

The summary table in section VI will consider whether the eRegister management with an agency would have a positive impact on each of the benefits considered for this analysis.

Summary of main criteria used for the comparison of the options from the perspective of the eRegister with an agency:

– It is assumed that a positive impact will be created if the eRegister is managed by an agency, by taking advantage of the resources available and the readiness of an agency to invest resources in adding value to the GI quality scheme.

– See all assumptions stated in the detailed analysis in Part C.

PART C: ANALYSIS & COMPARISON OF OPTIONS AND IMPACTS

71. 12. COMPARISON SUMMARY

The below table reviews the ranking of options according to the overall scores received. The figures are not used in terms of absolute values. They are relevant only as comparative values: a higher score implies a better score.

Benefit indicator *low number: poor* *high number: good*	[MS/EU] COM only 1. Baseline with IT Improvements	[MS/EU] Agency + COM 2.1 MS+ Agency opinion + COM decision	[MS/EU] Agency + COM 2.2 MS + Agency decision + COM appeal	[MS/EU] Agency only 3.1 MS + Agency + Appeal body/Scientific Board	[EU only] Agency only 3.2 Agency + Consult MS + Appeal body/Scientific Board
Length of time	3	6	11	12	9
Burden	3	5	6	8	10
Quality of the application	3	6	6	6	6
Quality of the output	2	2	9	10	8
Transparency	0	3	5	6	6
MS harmonisation	0	0	0	0	2
Costs (higher score indicates smaller costs)	5	6	7	6	5
Risks (higher score indicates smaller risk)	4	1	7	8	7
eRegister with agency		0	2	2	2
Total	**20**	**29**	**53**	**58**	**55**

Following sections summarise the indicators' behaviours and underlying assumptions for each of the improvement vectors identified.

71.1. 12.1. Length of the procedure

Summary of main criteria used for the comparison of the options from the perspective of the length of the GI registration (including amendments) procedures:

(4) 6 months are foreseen for the registration of a GI in the case of "perfect applications" where no interaction with the MS/PG are needed, split as follows: 2 months for examination, 3 months opposition period, 1 months for the preparation of the registration documentation[138].

(5) In addition, 2 months are allowed for clearing any product description or link description issues, for 95% of the dossiers (i.e. excluding cases where long waiting times are needed, until specific geographical aspects can be measured).

(6) For option 2.1 4 months are allowed for the COM's consult and decide procedures.

(7) For option 3.2 5 months are allowed for the MS consultation step.

(8) Benchmark for 2 months' time to first action (i.e. examination done and observation letter out) is other IPRs service standards.

(9) Benefits realisation time is 3 years, allowing transition period.

(10) Target time is understood as internal objective of the organisation, while the average time / performance time can be calculated for previous year(s), assuming that sufficient cases are handled for the data to become relevant.

(11) See all assumptions stated in the detailed analysis of each option.

[138] See https://euipo.europa.eu/ohimportal/en/euipo-service-charter

Benefit indicator	Baseline	*COM only* 1. Baseline with IT Improvements	*Agency + COM* 2.1 MS + Agency opinion + COM decision	*Agency + COM* 2.2 MS + Agency decision + COM appeal	*Agency only* 3.1 MS + Agency + Appeal body / Scientific Board	*Agency only* 3.2 Agency + Consult MS + Appeal body / Scientific Board	*EU only* *Agency only* 3.3 Agency only
Length (scored 1 worst to 12 best) Scoring: RED: 0; ORANGE: 1 ; GREEN: 2		3	6	11	12	9	
Time to registration for the applications with no link or product description issues (EU Level, no oppositions)	8 months	**7 months**	**10 months**	**6 months**	**6 months**	**11 months**	6 months
Time to registration for applications with no product description issues (EU Level, no oppositions)	18-24 months	**22 months**	**12 months**	**8 months**	**8 months**	**12 months**	8 months
Time to registration for applications with no link description issues (EU Level, no oppositions)	18-24 months	**22 months**	**12 months**	**8 months**	**8 months**	**12 months**	8 months
Time to send the first letter of observations	Target: 6 months Average: 7 months	**Target: 4 months** **Performance: 5 months**	**Target: 2 months** **Performance: 1.6 months**	**Target: 2 months** **Performance: 1.6 months**	**Target: 2 months** **Performance: 1.6 months**	**Target: 2 months** **Performance: 1.6 months**	Target: 2 months Performance: 1.6 months
Time to registration all non-objected cases (EU Level)	Performance: 2 - 5 years	**Performance: 1 - 4 years**	**Performance: max 3 years**	**Performance: max 2 years**	**Performance: max 2 years**	**N/A**	N/A
Time to registration all non-objected cases (MS+EU Level)	Performance: 1 - 10 years Average: 5 - 6 years	**Performance: reduction of 1 year**	**Performance: Reduction of up to 2 years**	**Performance: Reduction of up to 3 years**	**Performance: Reduction of up to 4 years**	**Performance: 1 year max average**	Performance: less than 1-year average

71.2. 12.2. Perceived burden

Summary of main criteria used for the comparison of the options from the perspective of the perception of the burden of the GI registration (including amendments) procedures:

– Some of the indicators are specific to one option or the other, and they are marked as N/A for the options where it is assumed it does not bring much added value to measure the satisfaction of a particular beneficiary with procedural aspects where they are not directly involved, for example: it is believed that the usefulness of asking the MS about their satisfaction with the duration of the registration procedure does not outweigh the effort in implementing the said measurement system, for options 3.2 and 3.3, where the registration procedure is at the EU level only.

– It is implied that the more stakeholders involved in the decision-making process, the higher the probability that the outputs of the registration scrutiny are not predictable, resulting in increased perception of burden or complexity of the GI registration procedure.

– See all assumptions stated in the detailed analysis of each option.

Benefit indicator	Baseline	*COM only* 1. Baseline with IT Improvements	*Agency + COM* 2.1 MS + Agency opinion + COM decision	*Agency + COM* 2.2 MS + Agency decision + COM appeal	*Agency only* 3.1 MS + Agency + Appeal body / Scientific Board	*Agency only* 3.2 Agency + Consult MS + Appeal body / Scientific Board	*EU only* *Agency only* 3.3 Agency only
Burden (Scoring: 1 worst to 16 best)		3	5	6	8	10	
Satisfaction of MS with the duration of the GI registration procedure	-	**50%**	**50%**	**80%**	**80%**	**N/A**	N/A
Satisfaction of MS with the predictability of the registration outcome	-	**70%**	**70%**	**75%**	**80%**	**N/A**	N/A
Perception of the added value of the GI scheme	-	**N/A**	**High added value**	**High added value**	**High added value**	**High added value**	High added value
Satisfaction of MS with the front and back office tools	-	**70%**	**70%**	**70%**	**90%**	**90%**	90%
Satisfaction of COM with the quality of the dossier received from agency	-	**90%**	**90%**	**N/A**	**N/A**	**N/A**	N/A
Satisfaction of the MS with the interactions	-	**N/A**	**N/A**	**N/A**	**N/A**	**80%**	N/A
Satisfaction of PGs with the duration of the GI registration procedure	-	**N/A**	**N/A**	**N/A**	**N/A**	**80%**	80%
Satisfaction of PGs with the predictability of the registration outcome	-	**N/A**	**N/A**	**N/A**	**N/A**	**70%**	70%

71.3. 12.3. Quality of the application

Summary of main criteria used for the comparison of the options from the perspective of the quality of the application of the GI registration (including amendments) procedures:

– The target values for the below 3 indicators are set departing from benchmark with measurements for other IPRs.[139]

– The benefits realisation time is estimated to last 3-5 years, allowing for transition time and gradual increase in awareness of the applicants (MS and PG) and gradual change in attitude towards embracing the tools and materials made available.

– The IT tools assumed to be made available and in use in the above-mentioned benefit realisation time, could include a series of (automatic) quality checks and intuitive guidance for the applicant

– See all assumptions stated in the detailed analysis of each option.

[139] See https://euipo.europa.eu/ohimportal/en/annual-report

Benefit indicator	Baseline	*COM only* 1. Baseline with IT Improvements	*Agency + COM* 2.1 MS + Agency opinion + COM decision	*Agency + COM* 2.2 MS + Agency decision + COM appeal	*Agency only* 3.1 MS + Agency + Appeal body / Scientific Board	*Agency only* 3.2 Agency + Consult MS + Appeal body / Scientific Board	*EU only* *Agency only* 3.3 Agency only
Quality of the application (Scoring 0 worst; 6 best)		**3**	**6**	**6**	**6**	**6**	**6**
Formalities deficiency rate (PGs related details, completeness of the file)	**-**	**10%**	**5%**	**5%**	**5%**	**5%**	**5%**
Link description deficiency rate	**95%**	**50%**	**14%**	**14%**	**14%**	**14%**	**14%**
Product description deficiency rate	**-**	**20 %**	**7%**	**7%**	**7%**	**7%**	**7%**

71.4. 12.4. Quality of the output

Summary of main criteria used for the comparison of the options from the perspective of the quality of the output of the GI registration (including amendments) scrutiny procedures:

– The target values for the below 3 indicators are set departing from benchmark with measurements for other IPRs[140]

– The benefits realisation time is estimated to last 3-5 years, allowing for transition time and gradual advancement on the learning curve for the MS and EU level staff and design and implementation of the quality assurance systems and monitoring mechanisms.

– Some of the indicators are specific to one option or the other, and they are marked as N/A for the options where it is assumed it does not bring much added value to measure the satisfaction of a particular beneficiary with procedural aspects where they are not directly involved, for example, it does not make sense to inquire the satisfaction of the PGs with the clarity of the observations sent by the EU level to the MS, assuming that it is the role of the MS to *translate* the observations in concrete actions to be taken by the PG.

– See all assumptions stated in the detailed analysis of each option.

[140] See https://euipo.europa.eu/ohimportal/en/annual-report

Benefit indicator	Baseline	*COM only* 1. Baseline with IT Improvements	*Agency + COM* 2.1 MS + Agency opinion + COM decision	*Agency + COM* 2.2 MS + Agency decision + COM appeal	*Agency only* 3.1 MS + Agency + Appeal body / Scientific Board	*Agency only* 3.2 Agency + Consult MS + Appeal body / Scientific Board	*EU only* *Agency only* 3.3 Agency only
Quality of the GI assessment output (Scoring: 0 worst ; 14 best)		2	2	9	10	8	
Satisfaction of the MS with the consistency of the observations	-	**60%**	**60%**	**80%**	**80%**	**N/A**	**N/A**
Satisfaction of the MS with the clarity of the observations	-	**90%**	**90%**	**95%**	**95%**	**N/A**	**N/A**
Satisfaction of the PGs with the consistency of the registration outcome	-	**N/A**	**N/A**	**N/A**	**N/A**	**80%**	**80%**
Satisfaction of the PGs with the clarity of the observations	-	**N/A**	**N/A**	**N/A**	**N/A**	**95%**	**95%**
Satisfaction of the MS on the overall registration journey	-	**No change**	**50%**	**70%**	**90%**	**70%**	**70%**
Satisfaction of the PGs with the overall registration journey	-	**50%**	**50%**	**90%**	**90%**	**80%**	**80%**
Compliance of the registration outcome / observation letters with set quality criteria	-	**N/A**	**75%**	**90%**	**90%**	**90%**	**90%**

71.5. 12.5. Transparency

Summary of main criteria used for the comparison of the options from the perspective of the transparency of the GI registration (including amendments) scrutiny procedures:

– The main assumption underlying the values inserted in the below table is the availability and readiness of an agency to invest in creating and ensuring MS/PGs understanding of guidelines for scrutiny / manage expectations of the applicant.

– In addition, another assumption underlying the increase in the satisfaction of the MS with their involvement in the decision making at the EU level is that the Scientific Board introduced in options 3.1 and 3.2 would provide a scientific, solid opinion, leading to easier and smoother agreements in case of appeals and / or oppositions.

– See all assumptions stated in the detailed analysis of each option.

Benefit indicator	Baseline	[MS/EU] COM only 1. Baseline with IT Improvements	[MS/EU] Agency + COM 2.1 MS+ Agency opinion + COM decision	[MS/EU] Agency + COM 2.2 MS + Agency decision + COM appeal	[MS/EU] Agency only 3.1 MS + Agency + Appeal body/Scientific Board	[EU only] Agency only 3.2 Agency + Consult MS + Appeal body/Scientific Board	[EU only] Agency only 3.3 Agency only
Transparency (Scoring: lowest transparency 0; highest 6)		0	3	5	6	6	
Satisfaction of the MS with the information received on each dossier	-	50%	80%	95%	95%	95%	95%
Satisfaction of the MS with the quality of the information on the latest changes in the scrutiny practice	-	50%	80%	95%	95%	95%	95%
Satisfaction of the MS with their involvement in the decision making at the EU level	-	60%	75%	80%	95%	95%	N/A

71.6. 12.6. Harmonisation

Summary of main criteria used for the comparison of the options from the perspective of the harmonisation of the GI registration (including amendments) procedures at MS level:

– The main assumption underlying the values inserted in the below table is that there are no changes in the MS level procedures for the options where the MS level is maintained, and that there is no MS level procedure for the option where only EU level is foreseen, resulting in the elimination of the need to harmonisation at MS level.

– See all assumptions stated in the detailed analysis of each option.

Benefit indicator	Baseline	[MS/EU] COM only 1. Baseline with IT Improvements	[MS/EU] Agency + COM 2.1 MS+ Agency opinion + COM decision	[MS/EU] Agency + COM 2.2 MS + Agency decision + COM appeal	[MS/EU] Agency only 3.1 MS + Agency + Appeal body/Scientific Board	[EU only] Agency only 3.2 Agency + Consult MS + Appeal body/Scientific Board	[EU only] Agency only 3.3 Agency only
MS harmonisation		0	0	0	0	2	
	N/A	Not harmonised	Not harmonised	Not harmonised	Not harmonised	Problem solved	Problem solved

71.7. 12.7. Costs

Summary of main criteria used for the comparison of the options from the perspective of the costs of the GI registration (including amendments) procedures at MS level:

– The costs for an agency are assumed to increase proportionally with the level of responsibility and autonomy in managing GI files, while the opposite applies for the COM.

– The efficiency gains for the MS are estimated considering the potential reduction of effort currently allocated to administrative and repetitive tasks thanks to gradually embracing of technology solutions proposed and dedicating the resulting time to more added value tasks.

– See all assumptions stated in the detailed analysis of each option.

Benefit indicator	Baseline	[MS/EU] COM only 1. Baseline with IT Improvements	[MS/EU] Agency + COM 2.1 MS+ Agency opinion + COM decision	[MS/EU] Agency + COM 2.2 MS + Agency decision + COM appeal	[MS/EU] Agency only 3.1 MS + Agency + Appeal body/Scientific Board	[EU only] Agency only 3.2 Agency + Consult MS + Appeal body/Scientific Board	[EU only] Agency only 3.3 Agency only
Costs (1 highest cost to 12 lowest cost)		**5**	**6**	**7**	**6**	**5**	
PG	**MS application fee if applicable** **MS control fees if applicable**	**No changes under this option**	**No changes under this option**	**No changes under this option**	**No changes under this option**	**Application fee**	**Application fee**
COM - FTEs	**16 FTEs**	**- 8 FTEs**	**- 13 FTE**	**- 14 FTE**	**- 16 FTE**	**- 16 FTE**	**- 16 FTE**
COM Monetary costs to handle GI files	**EUR 33 500 per GI dossier**	**50% reduction in the cost per GI dossier**	**70% reduction in the cost per GI dossier.**	**95% reduction in the cost per GI dossier.**	**100% reduction in the cost per GI dossier.**	**100% reduction in the cost per GI dossier.**	**100% reduction in the cost per GI dossier.**
Agency FTEs	**3.75 FTE**	**- 0.5 FTE**	**9 FTE**	**10 FTE**	**12 FTE**	**15 FTE**	**20 FTE**
Agency – Monetary costs to handle GI files	-	**Target: Product man-power unit cost: lower than baseline**	**Target: Product man-power unit cost: lower than baseline**	**Target: Product man-power unit cost: lower than baseline**	**Target: Product man-power unit cost: equal to baseline**	**Target: Product man-power unit cost: higher than baseline**	**Target: Product man-power unit cost: way higher than baseline**
MS management of dossiers	-	**10% efficiency gains**	**30% efficiency gains**	**30% efficiency gains**	**30% efficiency gains**	**80% efficiency gains**	**100% efficiency gains.**

71.8. 12.8. Risks

Summary of main criteria used for the comparison of the options from the perspective of the risks identified for the GI registration (including amendments) procedures:

– It is assumed that the MS are in favour of maintaining the MS level procedure.

– It is assumed that the higher the number of stakeholders involved, the higher the probability of complexity, hence a higher probability of confusion, diffusion of responsibility and potential confusion of the PGs.

– See all assumptions stated in the detailed analysis of each option.

Benefit indicator	Baseline	*COM only* 1. Baseline with IT Improvements	*Agency + COM* 2.1 MS + Agency opinion + COM decision	*Agency + COM* 2.2 MS + Agency decision + COM appeal	*Agency only* 3.1 MS + Agency + Appeal body / Scientific Board	*Agency only* 3.2 Agency + Consult MS + Appeal body / Scientific Board	*EU only* *Agency only* 3.3 Agency only
Risks		4	1	7	8	7	
	N/A	**The changes proposed to the procedures are ineffective/insignificant to the issues identified in the GI/TSG evaluation exercise**	**Potential risk of confusion at MS and PG level of the split of responsibilities between an agency and the COM**	**Risk of lack of expertise for the products sectors in an agency**	**Risk of lack of expertise for the products sectors in an agency**	**Moderate likelihood that the MS oppose the EU level only procedure, given their added value in the relation with the PGs.**	**High likelihood that the MS oppose the EU level only procedure, given their added value in the relation with the PGs.**
	N/A	**The level of complexity and the network of actors involved in the design, implementation and maintenance of the IT improvements proposed at MS level can be a serious barrier**	**Risks of reputational damages due to potential conflicts on the ownership of the decision / assuming the responsibility of the decision at political level**	**Risk of confusion for choosing the applicable administrative procedure for the appeals.**	**Risk of confusion for choosing the applicable administrative procedure for the appeals.**		**Risk of substantially decrease in the effectiveness of the GI quality scheme due to lack of direct involvement of the MS**
	N/A		**Risk of duplication of efforts between an agency and the COM**			**Risk of decrease in the number of new applications due to low reach of the potential interested PGs**	**Risk of decrease in the number of new applications due to low reach of the potential interested PGs**
	N/A		**Risk of lack of legal**				

Benefit indicator	Baseline	*COM only* 1. Baseline with IT Improvements	*Agency + COM* 2.1 MS + Agency opinion + COM decision	*Agency + COM* 2.2 MS + Agency decision + COM appeal	*Agency only* 3.1 MS + Agency + Appeal body / Scientific Board	*Agency only* 3.2 Agency + Consult MS + Appeal body / Scientific Board	*EU only* *Agency only* 3.3 Agency only
			certainty; the COM decision has a dual nature, i.e. it pronounces itself on two matters at the same time (the recommendation of an agency and the GI application as such)				

71.9. 12.9. eRegister

Summary of the main criteria used to compare the options on the eRegister with an agency:

- It is assumed that a positive impact will be achieved if the eRegister is managed by an IP agency, by taking advantage of the resources available and the readiness of an IP agency to invest resources in adding value to the GI quality scheme.
- See all the assumptions made in the detailed analysis in Section 12 above.

Benefit indicator	Baseline	*COM only* 1. Baseline with IT Improvements	*Agency + COM* 2.1 MS + Agency opinion + COM decision	*Agency + COM* 2.2 MS + Agency decision + COM appeal	*Agency only* 3.1 MS + Agency + Appeal body / Scientific Board	*Agency only* 3.2 Agency + Consult MS + Appeal body / Scientific Board	*EU only* *Agency only* 3.3 Agency only
eRegister with agency		**0**	**2**	**2**	**2**	**2**	
	N/A	**No**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**

Annex 12: Report on GI conference

"STRENGTHENING GEOGRAPHICAL INDICATIONS"

ONLINE CONFERENCE

Brussels, 25-26 November 2020

Report

DAY 1

This online event on strengthening geographical indications served as a focal point for stakeholders to make their views known on a range of issues. Topics covered delivering sustainability to addressing the legal challenge of protecting GIs on the internet. The conference also highlighted GI developments, notably the launch of the GI-View project.

The event coincided with the Commission's Impact Assessment for the purpose of the GI revision. It was jointly hosted by the European Commission and the European Union Intellectual Property Office (EUIPO).

SESSION 1 - OPENING PLENARY

Janusz Wojciechowski, European Commissioner for Agriculture and Rural Development, opened the plenary by noting that there has been new momentum for GIs, an essential component of European identity. He urged stakeholders to participate and contribute to the stakeholder review, and committed to taking their feedback into account.

The European Green Deal presents an opportunity to set policy on a new course. GIs must be fit for the future, and products will need to better demonstrate that they are sustainably produced. Wojciechowski added that the Commission's new IP Action Plan was launched today (25th November), with Commission proposals scheduled to be tabled towards the end of next year.
In terms of the needs for the upcoming review, producers should be able to focus their efforts on producing quality products, not on filing applications. Societal expectations for sustainability must also be met. There should be greater simplification and flexibility. GIs are a tool for boosting rural development, local jobs and value chains, and that this should be encouraged.

Hans-Joachim Fuchtel, German Presidency, Parliamentary State Secretary, Federal Ministry of Food and Agriculture presented Germany's thoughts on the development of GIs.

The pandemic has turned lives upside down and that the agri-food sector has been severely impacted. On the bright side, consumers are spending more time cooking at home, and are increasingly willing to pay more for quality produced products. GIs provide consumers with credible, reliable information about added value in food production.

Fuchtel welcomed the Commission's commitment to analyse current GI regulations in order to improve the system. Simplifying procedures however must not lead to restricted access to fair hearings, and similarly, sustainability aspects must not restrict geographical origins. He called for a harmonised legal EU framework and improved harmonised protection at the EU level for so-called non-agricultural GIs.

Irène Tolleret, Member of European Parliament, co-chair Intergroup on "Wine, spirits and quality foodstuff" welcomed the process aimed at reinforcing current quality schemes, agreeing that GIs are an expression of our identity. European producers should be taken into account in Europe's recovery plan, with special importance placed on disadvantaged areas.

Tolleret also discussed her hopes for improved transatlantic relations and a review of existing tariffs, as well as linking the issue of quality products to the European Green Deal. The administrative burden of GIs should be addressed, as this disproportionally disincentives smaller operators. Another key challenge is eliminating counterfeiting. GIs are not only economic but about our cultural, gastronomic and natural heritage.

Launch of GI-View portal

Wolfgang Burtscher, Director General DG AGRI, European Commission delivered an introduction to the GI-View portal. The aim of the portal is to provide visibility and transparency to both producers and enforcement authorities within the EU and across the world. It is not just about promoting GIs, but about protecting them.

Christian Archambeau, Executive Director EUIPO officially launched the new portal. This cooperation shows that we are stronger together, he said. GIs are important as IP rights, with GIs dependent on trademarks and brands for success. The GI-View database also connects GIs to third countries.

In terms of improvements, there is still no single registration for non-agricultural GIs, which remain reliant on national protections. There are also legal challenges for protecting GIs on the Internet. GI rights should be part of any discussion on the protection of trademark rights.

Keynote address

Dev Gangjee, Professor at Oxford University, UK, discussed how difficult it is to achieve international protection for GIs, and how challenging it can be to prove an infringement. He was impressed how GI-View can connect producers to enforcement. He also stressed how much national legislative diversity there still is within the harmonised EU system.

While GIs grow stronger, it is important to remember that others have rights too. Key issues include GIs as ingredients, and the extent to which producers can have a monopoly on a product. Achieving a balance and reconciling GIs with other interests is critical. One lesson from the pursuit of a Covid19 vaccine he said was the importance of flexible IP rights and the sharing of data.

Interview

Event moderator **Brian Maguire** discussed the keynote addresses with **Francis Fay**, head of unit responsible for geographic indications at DG AGRI.

Fay agreed about the need to take into account other interests, as well as focusing on the lack of harmonisation. We want to encourage innovation in the direction of sustainability he said, arguing that innovation is critical to the growth of GIs.

Fay also highlighted the impact of the pandemic on SMEs, the economic advantages of GIs to local regions and the potential of GI-View in helping people to better understand GIs.

SESSION 2, panel 1 – Controls & enforcement 1: Domain Name System (DNS) and internet

Moderator **Miguel Ángel Medina,** Associate Partner Trademark Department Elzaburu said that this session would touch on issues such as the importance of the Internet and the importance of protecting intellectual property (IP) rights online.

Irene Calboli, Professor of Law Texas A&M University School of Law, Fort Worth explained that misuses, imitation, and evocation of GIs are not adequately controlled in the Domain Names System (DNS) due to variations in protection nationwide and the non-territorial nature of the Internet. Existing challenges include the fact that GIs are not recognised as IPRs Titles under International Dispute Resolution Systems: an earlier GI right may not be a valid title to claim protection against a bad faith registration. Thus, dispute resolution (e.g. UDRP) systems may only be available on request to address abusive registrations based on prior trademark rights (Articles 4.a and 4b of EURP).

There are also no general rules as to how to protect GIs against cybersquatting, "typosquatting" and other abusive registrations and use of GI names as DNs. She suggested that these problems may be addressed by a mix of private and public agreements. To this end a balance between IP enforcement and fostering legitimate competition (bad faith use and registration of GIs as domain names vs use and registration of GIs that are considered generic terms) needs to be achieved.

She discussed several WIPO resolved under UDRP (champagne.co, rioja.com, parmaham.com, gorgonzola.best) and touched upon the current discussions in WIPO SCT. She believed that that GIs should be recognised as IP titles, but warned against major changes to the wording of the UDRP (Uniform Domain-Name Dispute-Resolution Policy) and other legal instruments. Multinational and bilateral agreements could include some specific provisions on protection of GIs in relation to domain names but it should be assured first in an agreement that a name is not generic.

Ivett Paulovics, Fasano Paulovics Società tra Avvocati emphasised that from the around 375m domain names (DNs), some 44 % are ccTLDs (country code top-level domains), out of all ccTLDs are 55 % are European. There was a 20 % year-on-year increase in new DNs registrations in 2020.

She presented a recent (July 2020) Commission-sponsored study into ccTLDs designed to fight abusive registrations ("The Study on evaluation of practices for combating speculative and abusive domain name registrations") focusing more in detail on preventive measures (registration procedure) and curative measures (post-delegation phase). She next identified some possible preventive measures, such as providing a

publicly accessible list of domain registration requests (to allow a sufficient time period to submit objections to the Registry), cross-checks in official registers (such as e Ambrosia for EU GIs; .eu or .dk limited to business and trademarks registries) or offer services allowing to preventively block infringing domain name registrations (similar to DNs blocking services available to some gTLDs such as Trademark Clearinghouse TMCH).

Possible curative measures included implementing alert systems to see if identical or similar domain names are being registered (.eu limited to EUTMS provided through EUIPO), make readily accessible information available on how report different types of abused (abusive reporting contacts), preliminary ADR proceedings (objection, opposition and mediation) as well as simplified and fast-track ADR proceedings in clear-cut cases of infringement (Uniform Rapid Suspension URS).

She suggested to align and harmonise ADR rules to expressly recognise GIs as legitimate IP rights to qualify as prior rights. She stressed that disputes are always fact based and some delegations may not be bad-faith, therefore solutions must be balanced. Prevention is better than the cure, and harmonisation increases legal certainty.

Jorge Novais Goncalves, IP unit of DG GROW, European Commission said that there are no specific solutions on combating online fraud that are tailored to GIs. The eCommerce Directive (currently in place) does not require platforms to actively monitor information they receive and they are not liable for the information stored by traders, though they may be liable if they have actual knowledge of illegal activity. In such a case online market places may be liable if they do not act expeditiously.

To this end, notice and take down (NTDs) procedures are developed, but NTDs are not regulated and are often inefficient, because each market place has its own procedure or each right holder has its own manner of providing notice. EC 2018 Recommendation on measures to effectively tackle illegal content online called upon main principles that should guide service providers. The 2018 Recommendation is implemented by Memoranda of Understanding (MoUs) that sometimes go beyond.

The Digital Service Act (DSA) package will be a new legislative framework that goes beyond the eCommerce Directive. It will provide more clarity on the role of platforms and on how NTD systems should work to build on experiences of the 2018 Recommendation by transforming many voluntary obligations into legal obligations.

He explained that the IP Action plan announces the development in the next two years of the toolbox against counterfeiting. This will help IP rights holders to protect their rights online and build upon the Recommendation, MoUs and DSA. The toolbox should provide IP rights holders with concrete tools developed by EUIPO to help identify goods from platforms, to verify ownership, make available databases in a structured manner, and to make procedures more efficient and less expensive.

He explained that a 2018 Commission Recommendation called for regularly published reports, as well as proactive measures such as automated detection.

Q&A

In response to participant questions, Calboli agreed that private firms should not get to decide whether a term is generic or not. She discussed cases of clawing back generic

terms, pointing to Coke in the US. Gorgonzola is still a generic term in some locations.

Paulovics agreed that good protection practices should be extended to other countries. Calboli said she did not see GI being treated as trademarks in UDRP any time soon.

Other questions touched upon enforcement actions to protect GIs, and steps to recognise GIs as IP. Goncalves said that actions are continually being improved, while Calboli noted that Member States remain free to follow the system they prefer. The lack of uniformity over the treatment of GI protection is the root of the problem.

Medina concluded by saying that GIs are a key asset for producers to compete globally and must be protected. New approaches are needed to enforce GIs online, while platforms should be more proactive in removing bad actors. The forthcoming Digital Services Act will include binding obligations.

SESSION 2, panel 2 – Sustainability 1: issues

Moderator **Massimo Vittori,** Managing Director, oriGIn discussed how GIs can contribute to a more sustainable future, taking into account both environmental and commercial concerns and highlighting the importance of GIs to local communities.

Filippo Arfini, University of Parma, Department of Economics science and Management discussed the results of the EU-funded STRENGTH2FOOD project. The project identified key tools to help producers meet sustainability requirements, including common sets of indicators, guides and information on good practices. Arfini highlighted the importance of supporting communication campaigns for small producer groups.

Third party certification should be used to guarantee the truthfulness of public goods. Verifying sustainability performance requires a common framework and a common language. The results of the project have been published in a book, entitled Sustainability of European Food Quality Schemes.

David Brazsil, Secretary General, National Council of the Wine Communities (NCWC) focused on the experience of the Hungarian wine sector. He noted the long historical and cultural legacies of GI in the delivery of unique quality products. Brazsil examined the economic, social and cultural aspects of sustainability. A good example is the Villany region, where in the 1990s producers got together to organise sustainable red wine production.

For the local area, this led to wine tourism and hotels, as well as long term employment, higher revenues and prospects for the younger generation. Environmental sustainability is in line with the needs of producers, who recognise the need to respect biodiversity.

Q&A

Questions touched upon developing rules for sustainable GI production and product specification. Arfini said that it was important to be conscious of existing practices that have perhaps been done for centuries.

Brazsil agreed, noting the importance of sharing practices with French and Italian producers. Vittori noted that his organisation has pushed for an amendment for groups

wishing to add sustainability to product specifications on a voluntary basis.

The panel was asked about the environmental aspects of organic production. Arfini noted that organic labelling lacked structure and was difficult to promote. While organic GI could be an objective, this should be decided locally.

The social value of sustainability was raised. Vittori said that the positive social impact of preventing poor areas from losing young people through offering concrete opportunities. There is also the issue of fairly distributing the added value of a public good.

SESSION 2, panel 3 – Non-agricultural GIs 1: issues

Moderator **Harrie Temmink,** Deputy Head of Unit DG GROW Council delivered a brief state-of-play, noting that the Council currently stands ready to consider a system of non-agricultural GIs, and that the Commission has announced that it plans to pick up on these conclusions and prepare impact assessment for a *sui generis* system.

Anke Moerland, Associate Professor of Intellectual Property Law, Maastricht University, focused on trademark systems and how these can protect GIs.

Key advantages are that people are familiar with trademarks, they are used extensively and they allow us to protect figurative marks. Collective systems do not require criteria to be linked to a specific territory, something that is at the heart of GIs. It is also not always clear who can be the proprietor of a collective mark. Thirdly, the protection of collective marks is different to GIs, as GIs protect geographical origin.

Andrea Zappalaglio, Director at Max Planck Institute, Lecturer in Intellectual Property Law at the UK University of Sheffield said that he supported the introduction of a *sui generis* regime for non-agricultural products.

Non-agricultural products can contribute to the goals of the GI scheme. Secondly, distinguishing between GIs and non-agricultural GIs is becoming less justifiable given the EU's international trade commitments. He suggested a simplified procedure to facilitate a transition between old regimes towards a possible future unified regime.

Bernard O'Connor, Resident Partner Brussels, Professor at the State University of Milan agreed that the EU's commitments through TRIPS (the Council for Trade-Related Aspects of Intellectual Property Rights) favoured a *sui generis* system.

Consistency requires us to continue down this road. The current situation undermines the EU's external push for recognition of GIs as intellectual property. We need a single system for all GIs. Specific issues can then be addressed at the local level.

Q&A

Issues raised during the Q&A touched on whether the trademark reform process had been a missed opportunity, differences between agricultural and non-agricultural GIs, and free movement. One concern was that while terroir cannot be moved, skills can be moved. Non-agricultural GIs are not without protection as they can use trademarks and marketing rules.

Zappalaglio replied that GIs are also about the reputational link between product and place, and that some food products are not terroir-based. This is about traditional know-how. There are also multi-country GIs.

Other issues included concern over mobility of geographical names. Swiss watches was raised as an example. An Australian trade expert warned that going for collective trademark protection instead of *sui generis* could cast doubt over the EU's international push for GI protection. GIs and trademark protection are not the same thing.

SESSION 2, panel 4 – Increasing attractiveness of GIs 1: issues

Moderator **Magdalena Glodek,** Head of Unit, GIs Department of Promotion and Food Quality, Ministry of Agriculture and Rural Development, Poland noted that GIs are at present unevenly spread across Europe How can we find ways to encourage take up, she asked.

Péter Gál, Head of Department for Wine and Horticulture, Ministry of Agriculture, Hungary, discussed how the country has increased the number of GIs in recent years. While GIs can strengthen the role of producers and help to preserve culture and traditions, establishing a GI system can mean additional costs and rules for producers. Communicating the benefits to producers is therefore critical.

Key benefits to communicate include the fact that GIs can mean higher incomes, and that money stays in places of origin. Providing information on GIs needs to go beyond just labelling requirements. Challenges include finding new GIs worth registering, motivating producers, and describing links with geographic areas. The collective nature of GIs can also hinder prompt action. Producer groups need to be strengthened, and finding institutional entrepreneurs who can lead whole process at the local level can be critical.

Chiara Cecchetto, Promotion and Project Management at Consorzio Tutela Lambrusco di Modena, Italy, presented her organisation's experience of the Emilia Romagna rural development programme (RDP) for the region, which is strongly focused on GIs.

The involvement of producers in GIs is vital. However, the administrative burden can make certification harder for smaller producer groups. This is why beneficiaries are encouraged to build partnerships. In terms of promotion, identifying a key target market – in this case Germany – is crucial. Target groups can be reached through promotional material, trade fairs, workshops and info days.

Cooperation between producer organisations can help to optimise resources and make communication more effective. Working together means finding a common communication strategy and staying focused on your goal.

Jesús Mora Cayetano, Conferencia Española de Consejos Reguladores Vitivinícolas (CECRV) said that the attractiveness of GIs to producers includes higher prices, increased consumer confidence and market access. The best sectors are those that are best at communicating.

GIs have what many collective institutions or entities would wish: social mass, horizontal mechanisms to make decisions, a proof capacity to cooperate with public authorities and

important tools to compete in the market. Public authorities and producers can and should contribute more actively to strengthen them.

GIs can strengthen productive areas and act as a pole of attraction for consumers and the media. In terms of achieving more awareness, improved access to public aid would help. A greater integration of GIs in the rural development is key. Online IP rights also need to be strengthened, and more flexibility in administrative procedures is needed.

SESSION 3, panel 1 – Controls & enforcement 2: policy issues

Pilar Montero, Professor and Director of the Magister Lvcentinvs. Master in Intellectual Property and Digital Innovation University of Alicante noted that GIs deliver strong emotional and marketing power. This has made them a target of fraud.

Alan Park, Director of Legal Affairs, The Scotch Whisky Association said that while direct misuse might include a Scotch whisky made in Spain and sold in the UK, other levels of misuse might include a drink that is not labelled as Scotch but contains false indications of Scottish origins. Following up with litigation or complaint depends on the specific market he said. Even if something is easily provable to be fake, the case can end up stuck in courts for years and can be subject to challenging and costly requirements related to the rights of representation. In addition, GI protection mechanisms differ across the EU as Member States have different national legislations. The challenge is that food standards are not an IP issue.

Bartolomeo Filadelfia, official at ICQRF, the Italian Ministry of Agriculture noted that ICQRF's responsibilities include providing official GI controls, imposing sanctions, certification and supervision. Domestically, administrative penalties and the criminal code are used. Cooperation with other Member States through the Food Fraud Network is critical, as is cooperation with internet hosting providers. Key lessons include investing in human resources, cooperating with ecommerce platforms and enhancing cooperation with Member States.

Nicole Semjevski, EUIPO – European Observatory on Infringements of IP (Observatory) discussed the IP Enforcement Portal, a secure platform for exchanging information and contacting certain enforcement authorities (e.g. customs authorities). This can help IP rights holders/owners know whom to contact where they suspect infringement of their rights. Right holders can upload their portfolio, and filing customs Applications for Action (AFA) is simple. The portal is all about the exchange of information between rights holders and enforcement authorities, said Semjevski.

Q&A

In response to questions on IP and MoUs, Park noted that the Scotch Whisky Association is funded by producers in order to, among others, stop GI misuses. UK GIs will remain GIs in a new UK scheme as per the Withdrawal Agreement. The expectation is that these will enjoy continuous protection. Filadelfia said that ICQRF is the body responsible for concluding MoUs with e-commerce platforms.

In response to a question concerning AFAs, Semjevski replied that an AFA customs application can be also based on GIs (as IP rights). Park pointed out that customs officers still need to know how to spot counterfeit goods, and that more training was needed.

Filadelfia called for stronger cooperation between all actors.

Montero concluded by highlighting the importance of modernising enforcement procedures to empower producer groups, and to increase the transparency of enforcement authorities.

SESSION 3, panel 2 – IP protection of GIs 1: case law developments

Moderator **Dimitris Botis**, Deputy Director for Legal Affairs, International Cooperation and Legal Affairs Department, EUIPO, discussed the scope of protection for GIs, noting that the exact meaning of certain terms remains unclear.

Benjamin Fontaine, Chair, EUIPO-Link committee ECTA, discussed the challenge of implementing evocation in cases of GI infringement. Various factors need to be taken into account, including the reputation of the GI, its nature, the degree of similarity and the intention of the alleged infringer. Examples of intentional evocation include taking unfair advantage of a name.

The critical issue is whether an infringement harms the function of a protected name. The Geneva Act of the Lisbon Agreement, to which the EU is a member, says something quite similar, and Fontaine said that this was the right approach to take.

Marko Ilešič, Judge, European Court of Justice provided the perspective of the judiciary, highlighting some of the current complexities in navigating both European and international law. It is not just EU law that applies to GI and IP law. A whole host of international conventions, treaties and agreements (such as TRIPS) must also be respected and taken into account. It can sometimes be difficult to draw a line between the applicability of EU and international law due to overlapping legal protections for geographical names.

Evocation of a protected name can be open to different interpretations. GIs on the one hand and collective marks on the other have different aims. While the scope of both protections is different, in practice legislation can overlap.

Dev Gangjee, Professor of Intellectual Property Law, University of Oxford agreed that navigating overlapping rights can be a challenge, highlighting the trademark / GI interface. Trademark registration of GIs predates the *sui generis* system. A key problem is that trademark law is not build around product identity shared by a group. This makes the trademark system a bad fit as it goes against the needs of GI producers.

Gangjee also discussed the hollowing out of collective marks, which have historically been seen as offering weak protection for GIs (which in this system are considered to be generic and descriptive). One option might be to return to the idea of treating GI collective marks as certification marks. There should be some acknowledgement that certification trademarks are not like individual trademarks.

Q&A

Issues raised from the floor included the need for legal clarity when it comes to infringement, the different terminology used in trademark law and the challenges of using collective marks. Ilešič said that while trademark law speaks about the likelihood of confusion, this does not exist in GI law. While unifying terms should be achieved

wherever possible, this is not always straightforward. Collective marks cannot fulfil the same aim of protection as GIs.

SESSION 3, panel 3 – Empowering producer groups 1: issues

Moderator **Christian Jochum**, from the Austrian Chamber of Agriculture, Agricultural marketing and special crops, discussed the strengthening of the role of GI producer groups.

Riccardo Deserti, Director of Consorzio del Formaggio Parmigiano Reggiano noted that there are huge differences in GI groups, also within Member States. A common thread however is that without the direct investment of GI producers, these groups would fail. Deserti discussed the success of a producer group-initiated dairy supply quota, which protected supplier and producer incomes. The agreement successfully brought suppliers and producers closer together.

It would be useful to support investments in actions targeted at the international legal protection of certain GI denominations. Worldwide GI protection is the base for efficient product promotion, and to sustainably build the development of PDOs and PGIs. Key ingredients in this success are producer representation and involvement.

Lionel Lalagüe, Director of Public and International Affairs, Bureau National Interprofessionnel du Cognac (BNIC) noted that Cognac is a unique product that depends on grapes harvested within a small, specifically delimited area. The BNIC works to ensure the economic development of the supply chain and that the appellation is respected. Around 98 % of produce is exported.

Key elements of success include permanent dialogue between producers and traders, and a shared vision of the long-term development of the GI within the whole chain. There is a parity within the decision-making process. Added value is created along the chain and reinvested locally. Having strong brands helps to promote the category on the global market.

Q&A

Issues raised from the floor included confusion between terms used for different producer group organisations (a group, a GI producer group, a producer organisation), trade having a stronger negotiating position than supply (unfair trading practices), and ways of more equitably manage GIs. A good structure behind a GI was emphasised as a pre-requisite for an economically sustainable and successful GI. Suggestions included the provision of advice and support to all supply chain actors, carrying out sustainability assessments, also in the context of rural development programmes, and giving suppliers more control of the market.

Deserti stressed the importance of producer groups being in charge of specific roles, and having specific powers. Regulations need to be aligned with this vision. There is also a degree of conflict between agricultural policies and competition rules. Producer groups need economic goals.

Lalagüe said that achieving a balance between suppliers and producers was very important. This enables sustainable business plans to be developed, which can take into account issues such as stocks and expected sales in the future. All this is critical to

sustainably managing production.

SESSION 3, panel 4 – The global dimension of GIs

Moderator **John Clarke,** Director International Directorate, DG AGRI underlined that GIs are a worldwide phenomenon, and that GI protection has become a global issue.

Alvaro García Alcázar, Team Leader EU-Funded Projects, International Cooperation and Legal Affairs Department, EUIPO discussed support and capacity building around the world. Key advantages of GIs are higher prices, consumer guarantees of quality and the creation and protection of rural jobs.

The European Commission is engaged in both multilateral and bilateral agreements to achieve mutual recognition. EUIPO supports the global GI dimension by promoting IP systems in non-EU countries and carrying out EU-funded projects, with a focus on the IP component. This is where EUIPO can add value. Best practices are exchanged with non-EU IP offices, and EUIPO also offers capacity building and GI legal advice.

Delphine Marie-Vivien, Researcher in Intellectual Property/Geographical Indications and Food Law, Deputy Director UMR Innovation, Agricultural Research for Development (CIRAD), discussed some GI successes in Asia. These include Kampot pepper from Cambodia, which achieves higher prices at the farm gate.

There are also challenges to protecting GIs. These include the fact that in Asia this can be a top-down state-driven process, with not enough involvement from GI producers. Specifications are not always based on producer practices, and there are too few collective GI organisations managing GIs. There is a lack of user control.

There is also confusion about what GI means. Some producers and consumers think that it is the logo, and not the product name, that is being protected and enforced. This can lead to a situation where products using a GI protected name flood the market, which further weakens the GI concept. Asian countries need to put collective value chain stakeholders at the heart of GI management.

Magui Nnoko, Counsellor and Project Coordinator, Organisation Africaine de la Propriété Intellectuelle (OAPI), Shared her experiences of GIs. OAPI supports producer groups through studies, capacity building and promotion. Positive impacts of GI registration include price increases for farmers, job creation and new markets abroad.

Challenges include finding and keeping committed group members, monitoring control for compliance and fighting against counterfeit products. Groups also depend on leadership. Technical specifications should be drawn up in a more participatory manner, with producers involved and support from public authorities.

Marthane Swart, Representative of Rooibos Council of South Africa said that the aim of the Council was to promote, grow and protect the market for this resource, which only grows in a narrow 60 000-hectare belt. GI is a key component of this.

Key successes include overturning cases in which companies abroad wished to trademark the name and deny its use by other companies. The Council is currently in the final stages of registering a GI in the EU, an experience which has been positive. Key lessons include the need for strong industry collaboration, persistence, building relationships with EU

counterparts and knowledge of EU requirements.

Q&A

Issues from the floor touched on the responsibility for defining GI criteria and companies with protection that move abroad. Clarke noted that every country decides whether to defend a name or not and that TRIPS Agreement rules on territoriality are applied.

Concluding remarks by Master of Ceremony Brian Maguire

Maguire concluded the first day by noting a strong emphasis on strengthening GIs, the need for the upcoming GI review to find the right answers, and the role GIs can play as part of the Green Deal. In the context of the pandemic, GIs are also an opportunity for food producers to tap consumer demand, with sustainability a key point. GIs are part of our cultural heritage, and the need to support small producers should not be ignored.

The launch of the GI View is an opportunity to promote knowledge sharing and protect GIs. The vulnerability of GIs to bad faith actors means that best practice training is needed, and greater awareness raising among producers. The issue of non-agricultural GIs was raised by participants. GIs can be strong only if well organised controls and enforcement.

DAY 2

Master of Ceremony **Brian Maguire** and **Francis Fay,** head of unit responsible for geographic indications at DG AGRI, discussed the second day's agenda, highlighting some key issues to be discussed.

These included controls on PDO and PGI logo use and what to do to increase consumer recognition. Other topics to be discussed include case law, policy issues, modernisation and cutting red tape. The second day built on yesterday's findings and was driven by stakeholder-led interventions.

SESSION 4, panel 1 – Controls and enforcement 3: PDO and PGI logos use

Moderator **Marcus Höpperger,** Director, Law and Legislative Advice Division Brands and Designs Sector, World Intellectual Property Organization (WIPO) opened this discussion on
PDO and PGI logos, noting that the bylaws governing these indicators are not always coherent.

Matthew Gorton, Professor in Marketing, Newcastle University, Coordinator of the H2020 Strength2Food project, agreed that while there is widespread support for the principles underlying PDO and PGI labels, the use of logos by consumers in purchasing decisions is limited. There is a disparity between public acceptance and actual use. The Strength2Food project found the majority of consumers do not recognise EU labels.

The conclusion is that there is room for improvement. Label size does not alter consumer behaviour if they do not know what the label means. Additional information and more intuitive understanding are need to improve the situation. PDO and PGI logos are at present not seen as self-explanatory. What matters to producers is that consumers are

engaged.

Eric Tesson, Director, Confédération nationale des appellations d'origine contrôlée (CNAOC), explained why EU logos are not used for French wines. The legal framework for the AOC (appellation d'origine contrôlée) system has never used a logo and always been fully written out. A key reason why PDO and PGI labelling has never been used is that PDO and PGI wines constitute 95 % of the market, and such labelling would therefore not aid in market differentiation.

Another reason is that modern logos are not always compatible with old brands with classic labels. Mandatory mentions can also be difficult to manage for small holdings, who do not wish to be melted into an indistinct whole. The French wine sector therefore prefers voluntary labelling to avoid burdensome bureaucracy and consumer confusion. There have been concerns in the sector about 'labelling overkill' in recent years.

Q&A

A representative of the Spanish association of GIs raised the issue of improper use of PDO and PGIs, and the need for reporting systems. Other issues for discussion included the inclusion of GI ingredients and ingredient branding.

A representative for German wine growers noted that the German wine sector also uses traditional terms, and that the use of logos is not very widespread, for the same reasons as in France. Producers do not have the impression that GI labelling adds distinction.

Gorton suggested that using one single logo might help consumer recognition and understanding, underlining that logo recognition does not necessarily mean increased understanding. Compulsory use of labelling might not have any impact on consumer behaviour. The fact that these labels do not appear to be intuitive should be addressed.

Höpperger suggested that a key challenge was that EU labels are abstract and not explained. More emphasis should be placed on understanding logos. There is a danger of logo overkill. Tesson agreed that while consumer place importance on origin-based products, there is little recognition of abstract logos.

SESSION 4, panel 2 – Sustainability 2: stakeholder debate

Moderator **Massimo Vittori,** Managing Director of oriGIn, continued the discussion from yesterday on sustainability. He highlighted the importance of supporting long-term jobs and achieving environmental sustainability in order to cope with climate change. Stakeholders were then invited to give their opinion.

A representative of the French agricultural sector said that it was critical that products claiming regional origin are consistent with consumer expectations. Not All EU PGIs deliver equal specifications however, which can make it difficult to achieve a level playing field.

David Brazsil Secretary General, National Council of the Wine Communities (NCWC) agreed, noting different approaches to wine in different countries, due in part to historical legacies.

An academic from the University of Warsaw discussed sustainability issues relating to

short local supply chains. While the distance between producer and consumer is close, environmental factors - such as suboptimal transport and distribution - can actually make locally produced GIs less environmentally sustainable than factory produced items. These are issues that must be considered when thinking about applying sustainability metrics to GIs.

A representative of a PDO Regulatory Board in the Spanish Basque country said that smaller producers would need financial support and simplified procedures in order to implement GI requirements. The reputation of GIs depends on greater control and harmonisation.

A representative of German pork producers echoed the earlier point that environmental measurements could make local GI production less competitive, vis a vis industrially produced goods.

Brazsil said that sustainability requirements for GIs was a big issue in Hungary. The interests of both wineries and grape producers need to be taken into account.

Vittori suggested that a voluntary approach would enable those that are ready to do so, to make the transition towards sustainable practices. The market is moving in this direction, so a key message is that everyone needs to get ready. The issues of sustainability and nutrition should also be separated and not confused.

SESSION 4, panel 3 – IP protection of GIs 2: issues

Gordon Humphreys, Chairperson of the Fifth Board of Appeal at EUIPO highlighted the export potential of GIs that are valuable collective IP rights, and like trademarks potentially may last over unlimited time. He stressed the challenge of GIs intersect with trademarks.

Paola Ruggiero, ECTA Head of GI committee discussed the scope of protection for GIs relating to components of compound GI-names and problems in determining whether a particular term can be considered generic by presenting relevant case law. In the “Grana Padano / Biraghi” case T291/03 for example, the Court obliged the BoA to carry out a more detailed analysis, to take into account more context.

In the ongoing case T-826/16 “Torta del Casar”, the Court annulled the contested decision. It stated on the one hand that the BoA erred in pointing out that the term "Torta" does not designate a geographical area as such, but merely the shape of the cheese. On the other hand, excluding the trademark applied for would evoke the PDO “Torta del Casar” for the mere reason that the term “Torta” did not indicate a geographic location. For the first time, an expert has been appointed to analyse the designations of origin at issue and in particular the scope of protection, historical sales volumes, impact on the local economy, legal situation in Spain, including Codex Alimentarius, and the trademark situation in Spain.

In case C-432/18 “Aceto Balscamico de Modena” the question is if GI protection goes so far that even the use of individual non-geographic components is prohibited, or if its individual components continue be freely available. The German Federal Court of Justice in its judgment of May 28, 2020 stated that the fact that the protection of a protected geographical indication (in this case: "Aceto Balsamico di Modena") does not extend to

the use of the individual non-geographical elements (in this case: "Aceto", "Balsamico", "Aceto Balsamico ") in a product name does not exempt from examining whether, taking into account the additional linguistic and visual characteristics of the products, such a use represents an evocation pursuant to art. 13(1)(1)(b) of Regulation 1151/2012.

Simone Calzi, Head of the Legal Office - Consorzio del Prosciutto di Parma, presented the scope of protection for GIs from the perspective of goods and services as well the role of evocation and reputation. The four GI regulations taken together have allowed GIs to have an impact on the market, both in Europe and beyond.

The scope of protection has been developed by the Court and the BoA focusing on evocation in cases Calvados, Scotch Whisky, Manchego cheese based on phonetic similarity, concept of proximity and figurative elements. The BoA refused a trademark application for the slogan "Mehr Allgau past in keinen Käse" because the world "Allgau" is enough to trigger an evocation of the PGI "Allgäuer Käse" in the mind of the consumer. Trademark application for "Port Ruighe" was rejected as it was found to evoke Porto/Port even though it applied to different products (whiskey(spirits) – wine). This may have led consumers to believe that product specification is the same as for Porto. The Court stated that this case was different to that of "Port Charlotte".

He emphasised that it is critical that the regulations and specifications of GIs are correctly applied. Considering whether the protection of GIs may be extended to services he referred to articles of wine and food regulations, and their respective recitals (37) and (32). Current case law (Champagnola) shows that the evocation of a GI may be established even when products and services are not comparable (wine and bakery products), provided some criteria are fulfilled: 1) evocation of the name, 2) reputation of a GI, and 3) that reputation being exploited (prior use is not required and evidence of a future risk).

The pending case (Champanillo) will help to clarify evocation in relation to services. Another pending case (Morbier) involves assessing whether reproducing specific characteristics of a GI protected product can be protected against a generic product. The borders of protection are still not defined with respect to protection on the internet, use of GI products as an ingredient and protection granted in third-countries through bilateral agreements.

Stefan Martin, Member of the Board of Appeal, EUIPO said that there are too many regulatory sources – in one highlighted case, five regulations played a role. There is a need to simplify GI regulations. Some omissions has been rectified by case-law: Art. 8(6) EUTMR does not refer to international agreements but "Union law" under Art.7 and includes also international agreements. FTAs (Free Trade Agreements) have different concepts and different scope of protection: some (like Chile-EU) set out what is forbidden but do not refer to "misuse, imitation or evocation".

It is also difficult to find international agreements. A database of all international agreements is required. Some provisions of regulations have become useless: Art.102 on relationship with trademarks could be taken out. "Evocation" has been explained by the Court to some extent, but not that much on the meaning of "misuse" and "imitation". Legal standing differs between EUTMR (Art.8(6) "any person"), international law (22(2) TRIPS. 10ter(2) PC, Panel Report, Art. 11(3) Geneva Act) and Regulation 1151/2012 as its Art.45 gives important role to the group ("adequate legal protection" means also opposing trade mark applications).

Protection with regard to reputation, even for the same type of product (wines) is not the same. Another challenge is that terms such as 'reputation' can mean different things in different languages, or can be substituted by other words. Reputation under GI-regulations should be not confused with reputation with regard to trademarks: reputation for GIs is something else as defined by the Court on three occasions. It depends on the image of GI created in the minds of consumers. This, in turn, depends essentially on particular characteristics, and more generally, on the same quality of the product.

Reputation is the quality of the product, as memorised by the consumer. The scope of protection is therefore not the same thing as trademark law: the notion of "exploitation of reputation" is less demanding than the (trademark) concept of an "unfair advantage". Martin believes that exploitation of reputation occurs as soon as someone tries to register a trade mark for a different product that has certain proximity to a product covered by a GI, with the effect of a transfer of image of GI. The Court has not spoken its last words on this issue.

Q&A

Issues from the floor included the use of generic terms in trademark applications as well as the impact of recent court cases. Linguistic indications are increasingly considered in examinations. GIs should not be part of trademarks, and should be something that is defended. It was confirmed that GI-View makes it possible to consult international agreements. It was acknowledged that the use of different words – often used to reflect different situations – can indeed be confusing to consumers.

SESSION 4, panel 4 – Modernisation and simplification: 'REFIT'

Moderator Francis Fay, Head of Unit DG AGRI discussed how GI procedures can deliver efficiency at minimal cost, and how stakeholders can intervene in this process.

Alexandra Manole, Policy Officer, Horizontal Coordination on Better Regulation issues, Secretariat General European Commission, explained that REFIT seeks to find ways of simplifying and reducing administrative burdens without compromising on policy objectives. The ultimate goal is to deliver EU law in an efficient manner. The Fit for Future platform provides opportunities for stakeholders to provide input.

In addition, the REFIT scoreboard keeps track of all initiatives. The Commission also published an annual burden survey and announces future REFIT work in pipeline. The key takeaway is that REFIT is a requirement. It is embedded in EU policy making, and citizens and stakeholders can contribute through various ways.

Bernard O'Connor, Resident Partner Brussels, Professor State University Milan said that the two-step approach to GI registration is essential. GIs are inherently local, and require local procedures and instruments to resolve specification issues that can only be resolved locally. However, the Commission is needed to ensure overall coherence of the GI system.

A key issue in reviewing applications is legal consistency. There has been some movement towards consistency between the four regulatory GI instruments, but this needs to go further. The idea of one single instrument was mentioned. Better guidance should also be given to applicants.

Although digital tools could serve to create more transparency and openness, flexibility and privacy during initial exchanges between applicants and regulators is necessary.
For controls in the market place, greater capacity for producer groups could be envisaged to enforce their rights, while keeping the 'ex officio' controls.

Q&A

Issues from the floor touched on the range of offices that deal with GIs across the EU, GI notification and examination deadlines, and compliance with quality requirements (e.g. difficulties for applicants and national authorities to understand the specificities of the four sectors). One participant suggested that the GI system must remain European – spreading the system too thinly across Member States could be risky. The Commission should provide national authorities with guidelines. There should perhaps be a centre of excellence in each Member State.

It was confirmed that e-Ambrosia will remain the legal register. GI-View rebroadcasts this data and allows producers to add information. This is not possible on e-Ambrosia, which is a closed system. This is the key difference between the two databases.

SESSION 5, panel 1– Controls and enforcement 4: stakeholder debate

Moderator **Pilar Montero**, Professor and Director of the Magister Lvcentinvs, Master in Intellectual Property and Digital Innovation University of Alicante, stressed the importance of enforcement and having coherence in the GI system. GIs are about protecting European cultural heritage and cultural production, and can help to facilitate the green transition.

David Thual, Managing Director of Insight Consulting, said that one big takeaway from yesterday was the fight against fraud. Both the private and public sectors have limited resources. Improving cooperation should therefore be a priority, and GI groups should be able to contribute more to enforcement. More training for customs officers would also be welcome. GI groups should also be more empowered to enforce their rights, and the abuse of GIs as ingredients also needs to be tackled.

Javier Maté Caballero Head of Unit, GIs, at the Ministry of Agriculture, Food and Fisheries in Spain discussed online controls and enforcement. Experiences of working with major online platforms have largely been positive, and the procedures for Amazon and eBay to detect and declare counterfeit products were highlighted. Key lessons include the importance of creating a direct and official email relationship with the enterprises involved. Infringements are general the result of ignorance that PDO / PGI foods have IP rights.

Adrien Trucas from CERTIPAQ, a certification body in France discussed controls to ensure compliance with regulations, noting that these controls are not carried on the open market, but rather on producers that are voluntarily engaged. Possible solutions from the French experience include a database to confirm identities and make requests for certification in order to limit the latency of reviews and increasing the reactivity of stakeholders. The information that comes from the certification body database can then be uploaded to the GI-View, providing pan-European transparency.

Jacky Marteau, Head of Unit, Illicit Trade, Health and Environment Operations & Investigations at OLAF, said that part of OLAF's mission is to fight against illicit trade and EU single market infringements. There are ongoing investigations, with large fraud

schemes uncovered across Europe and beyond. One example is corn distillate being sold for brandy. There are also GI infringements related to food products such as honey and olive oil. Seizures are not enough however; fraudulent networks need to be dismantled. This is complex and requires strong cooperation between rights holders, law enforcement and market surveillance authorities.

Participants discussed the challenges that operators and producers face when it comes to enforcement. Small producers often don't have the resources or access to legal instruments. Needed. Fraud in third countries, such as the misuse of names, also requires investigation. Such fraud attacks the concept of GIs, and participants also warned about a growing anti-GI movement.

SESSION 5, panel 2 – Empowering producer groups 2: stakeholder debate

Moderator **Christian Jochum,** Chairman of the Working Party of Food Quality at Copa-Cogeca said that he was convinced that in oversupplied food markets, product differentiation through quality is key, and that GIs are the centrepiece of quality policy.

Participants discussed how agricultural rules could be adapted to help strengthen the position of producers, the extent GI groups should be able to impose terms and conditions and how GI groups can be made responsible to take own initiative actions. Rural development interventions to support actions by GI groups were also highlighted.

A representative of producers from mountainous regions said that many small producers do not use GI systems because they use several different private trademarks, or are included in different voluntary private certification schemes. GIs are often considered as one of several options to create added value. Small farmers need to have enough financial and operational resources to create new GI labels.

A representative of Irish beef producers said that GI producer groups are not as developed as elsewhere. Many are put off by administrative costs. Perhaps a programme through rural development could help groups to get organised, and to offer ongoing support. Stronger producer groups can negotiate higher prices without falling foul of competition law. A social media presence to promote GIs could help to reconnect with consumers.

An intervention from EFOW highlighted the GI wine sector. Inter-branch organisations that enable horizontal cooperation can play a crucial role and help in the collective management of GIs. Such cooperation is important in discussions on how harvests can be financed, and in ensuring that every part of the wine process is involved.

Other topics raised included the challenge for authorities in enforcing GI rights. For example, GI producers might recognise abuse of a protected name, but will not report the infringement because they do not want to expose themselves. There should be a mandatory means of reporting irregularities to competent authorities without exposure. On the other hand, GI groups lack legal and financial means to win a legal action; and when they do win in the Court, they indirectly support the whole GI system.

GI producer groups should also educate their members about their rights and obligations. The structure and awareness of producer groups can differ greatly from country to country, and even region to region. Helping small GIs should be a priority.

The structure of support behind producer groups is essential and rural development and national funding needs to be supportive to these groups. There is an opportunity for producer groups to play a more active role to reconnecting producers to consumers. A key challenge is the fact that new GIs need to establish themselves from zero. There is where legal support is needed.

SESSION 5, panel 3 – Increasing attractiveness of GIs 2: stakeholder debate

Moderator **Magdalena Glodek,** Head of Unit, GIs Department of Promotion and Food Quality at the Ministry of Agriculture and Rural Development, Poland highlighted the low levels of recognition of EU symbols. This underlines why promotion and awareness-raising are so important. GIs are also an important tool for rural development.

The experience of using GIs for a specific freshwater fish found in Karelia in the east of the country was discussed. It was noted that these fish are caught when rivers have frozen over, and that due to climate change, the season has shortened considerably. Other challenges include the replacement of ageing fishermen and a risk that a traditional way of life will disappear. Some solutions that have been implemented include master apprentice programmes and the launch of GI promotional of materials, to preserve this cultural heritage.

Other issues raised include the need to empower producer groups to better understand their roles. Each Member State has different priorities that they should focus on. GI experts should be trained, and examples of best practices exchanged. Better communication of GIs will help to create motivation within producer groups.

The great economic and cultural importance of the GIs were highlighted. Long procedures that sometimes discourage the producers were also mentioned. There is a need for state promotion and more support; countries where the take-up of the scheme is not very high lack adequate structure.

It was mentioned that GIs are important not only to the EU, but to the global image of European products. GIs are also not only about quality; they can play a key role in improving regional rural development. Producers sell not only products, but also heritage, history, tradition and emotion.

One challenge is that GI products can be perceived differently in different countries. This requires more targeted marketing. Educating consumers about understand GI labels is critical if they are going to be willing to pay a higher price. GIs also need to be recognised and respected at home. This means educating people within the EU about GIs, who can then become ambassadors for our products.

It is clear that it is not enough just to have an excellent product. More efforts are needed to promote products both within the EU and in third countries.

Some challenges include the need to adopt new tools and technologies to compete in the global marketplace. This can be challenging for smaller producers. Possible solutions to face the global market are needed, especially for smaller producers. This might include common platform and distribution systems managed by producer associations or consortium associations, to reduce the cost and better sustainability; as well as harmonised procedures for accessing non-EU markets with rules that apply to all European GIs.

Some producers said that administrative burden of the GI procedure put them off from applying. A stronger message to consumers that PDO/PGIs are drivers of sustainable food systems is needed.

Glodek said that some of the clear messages coming through this session included the need to simplify application procedures, to make it easier for producers who are not familiar with bureaucracy. A faster certification procedure would facilitate better communication. The promotion of GIs and education of consumers needs to begin in Europe, and not just be focused on export markets in third countries.

New ways of promoting the values of GIs need to be found, to tap into the cultural and emotional resonance of these products. Small producers need to be supported and involved more in the process.

SESSION 6 / CLOSING PLENARY

Laurent Gomez, Secretary General AREPO (Association of European Regions of Product Origin) discussed the network of regions and products involved in European quality schemes. It is clear that GIs perform a key role in economic and social actions, and in preserving the territorial balance at the regional level, particularly in remote regions. They also perform a critical cultural role. For this reason, GIs should be considered as a major pillar in the EU's Farm to Fork strategy.

GIs are a key vehicle for delivering growth through sustainable food production. This economic sustainability comes in the form of fair competition, higher producer incomes and the protection of the rural landscape.

It is critical that the characteristics of GIs are communicated clearly to consumers, and that effective monitoring is put in place to combat food fraud. Sustainability aspects should be introduced voluntarily. Gomez welcomed the Commission's GI legislative framework, and hope that the impact assessment would help to address some of these challenges. Any future CAP must provide the right support for GI producer groups.

Another key issue is achieving a better understanding of the nature of GI groups. An analysis should be carried out to see how these groups are structured. Financial aid for GI certification and promotion should be made available, especially for smaller operators. It should also be made easier to update product specifications and to address sustainability issues.

The provision of GI training is fundamental and key to strengthening job creation. GI expertise is needed to understand the complexity of this issue. Training would help to create a new generation of producers.

Key challenges include improving GI protection enforcement, especially online. Internet domain registration and the use of GIs as ingredients in processed products are issues. The clarification of labelling rules could lead to simplification and harmonisation of GI policy. Gomez welcomed the GI-View database, which she said would make access to readable information easier. Finally, the differential treatment of non-agricultural GIs is not consistent with the Geneva Act.

Anette Rasmussen, President ECTA welcomed the Commission's initiative to review EU law on quality signs, and the fact that stakeholder views would have an impact. Many of the topics discussed are linked to transparency, and what this means for

consumers. Regional differences in how GIs are used is a complicating factor. Simplification and harmonisation of the GI system would make it easier to understand and help to attract more producers. Transparency in registration is needed.

Rasmussen said that the GI-View database would be a great help, with all details available in one place. This promises to be an efficient tool.

More clarity is needed about how GIs complement existing trademarks. Other issues include the use of GIs as ingredients, and the definition of reputation. All these issues are important when it comes to protecting GIs. More reliable protection will make GIs more attractive. Legal consistency is a key selling point.

Massimo Vittori, Director General OriGIn, noted that GIs are increasingly recognised internationally as a crucial instrument of IP and sustainable development. This was not evident 20 years ago and should be considered a success.

Vittori emphasised that sustainability is the topic of the new generation. While new economic models that take into account social and environmental considerations present a challenge, GIs – linked to territory, communities and local development – are in a privileged position to respond. Moving towards sustainability should begin with a voluntary approach, and small producers should be helped. Tools to allow a fairer distribution of added value throughout the chain should be considered.

Rules and controls regarding the enforcement of GIs should be harmonised, and best practices shared. Vittori agreed about the need for GI training. New frontiers of infringement include the use of GIs as ingredients and aromas, as well as different product categories. Legislation needs to be implemented coherently. The GI review is an occasion to fine tune this.

A *sui generis* system for non-agricultural GIs would help producers to tap the potential of handicrafts based on territories, and also help the EU in international negotiations. The EU is part of the Geneva Act of the Lisbon Agreement.

Andrea Di Carlo, Deputy Director EUIPO hoped that stakeholders would participate in the
GI review that has just started, to help policy makers to better understand how GIs support local economies and empower producers. EUIPO remains committed to ensuring that the
trademark / GI interface runs as smoothly as possible.

Di Carlo said he was proud of the GI-View tool, which will serve producers, the public and enforcement authorities alike. It will help to give SMEs and smaller producers a voice and ensure more effective GI enforcement, especially online. The GI-View, combined with the IP Enforcement Portal, represents a significant step forward in facilitating the exchange of information.

María Ángelez Benítez Salas, Deputy Director General, DG AGRI said that Commission would now study and analyse the key findings of this event, and pledged to take all opinions into account. She echoed Commissioner Wojciechowski's point at the beginning that GI policy has been a success, and that the review will now help to build on this success. This means keeping the positive elements of GI policy.

It is clear that there needs to be an even application of GI policy throughout the EU. This will involve simplification and modernisation. Some key takeaways from the event include the importance of sustainability as a priority for future generations, support for farmers, the inclusion of non-agricultural GIs and facilitating negotiations with third countries.

Other key issues highlighted include trademark / GI competition, the empowerment of producer groups and enforcement and control. GIs are only a strong as the controls in place. The importance of promotion, and achieving more emotional connections with consumers, was raised. Salas noted that the next milestone will be the open consultation running from January to March, providing all stakeholders with an opportunity to contribute. This brings us back to the theme of Stronger Together.

Annex 13: List of links to important underlying reports and studies

- Commission Staff Working Document, Evaluation of Geographical Indications and Traditional Specialities Guaranteed protected in the EU

  [a link will be included upon publication]

- Evaluation support study on Geographical Indications and Traditional Specialities Guaranteed protected in the EU, 2021

  https://op.europa.eu/en/publication-detail/-/publication/c1d86ba1-7b09-11eb-9ac9-01aa75ed71a1/language-en

- Factual summary of the public consultation on the evaluation of the Geographical Indications (GIs) and Traditional Speciality Guaranteed (TSGs)

  https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/2029-Evaluation-of-Geographical-Indications-and-Traditional-Specialities-Guaranteed-protected-in-the-EU/public-consultation_en

- Factual summary of the public consultation on the revision of the EU Geographical Indications (GIs) systems in agricultural products and foodstuffs, wines and spirit drinks

  https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12664-Revision-of-the-EU-geographical-indications-GI-systems-in-agricultural-products-and-foodstuffs-wines-and-spirit-drinks/public-consultation_en

- Study on economic value of EU quality schemes, geographical indications (GIs) and traditional specialties guaranteed (TSGs), 2020

  https://op.europa.eu/en/publication-detail/-/publication/a7281794-7ebe-11ea-aea8-01aa75ed71a1/language-en

- Strength2Food project publications

  https://www.strength2food.eu/

- EU citizens, agriculture and the CAP, Eurobarometer surveys, publications of 2018 and 2020.

  https://europa.eu/eurobarometer/surveys/detail/2161

  https://europa.eu/eurobarometer/surveys/detail/2229

- Causal estimates of Geographical Indications' effects on territorial development: feasibility and application, JRC Technical Report, Ispra, 2021

  https://knowledge4policy.ec.europa.eu/publication/causal-estimates-geographical-indications%E2%80%99-effects-territorial-development-feasibility_en