

Brussels,
... / ... (2017)

FINAL MINUTES

Meeting of the Civil Dialogue Groups on Quality and Promotion

Date: 30 June 2017

Chair: Mr Romain Cools

Organisations present: All Organisations were AREPO, CEJA, CELCAA, COGECA, COPA, EEB, EFFAT, EFNCP, EFOR, ELO, EMB, ERPA, EUROMONTANA, FACEnetwork, FoodDrinkEurope, IFOAM EU Group, SACAR, SLOWfood, origin, except Eurocommerce

1. Approval of the agenda (and of the minutes of previous meeting¹)

The agenda of the meeting is approved. However experts express their discontent by the fact that the agenda does not cover a couple of important items that were proposed by the group but not upheld by the Commission, namely:

- Implementation of Regulation No 1169/2011 on the Provision of Food Information to Consumers:
 - a) Update and discussion on the implementation of voluntary origin labelling of foods (Art 26.3) e.g. scope (“Trademarks”, “Made in”) varying origin cases and presentation requirements
 - b) State of play of discussions on recent national developments on mandatory COOL and the next steps

The Commission, DG SANTE, responded to this proposal as follows: *“Unfortunately we will not be present for those points given that the timing of your meeting does not really fits the development of the files in question (we will not be ready to present the Commission’s view on the matter).”*

- Vegan and Vegetarian products: use of meat quality labels or traditional terms by vegan and vegetarian products.

The Commission, DG AGRI, responded to this proposal as follows: *“The topic is not relevant for the GI. It does not fall under the frame of quality and promotion.”*

Participants would like to make an addition under AOB regarding the Commission, DG AGRI, open consultation on the evaluation of marketing standards (http://ec.europa.eu/info/law/better-regulation/initiatives/ares-2017-3244337_en).

A participant would also like to have in a future meeting a point on the difficulties for small farmers to reach the market. This point will have to be proposed when the next agenda is being put together and the period for suggestions is open.

¹ If not adopted by written procedure (CIRCABC)

The minutes of the previous meeting were approved without amendments.

2. Nature of the meeting

The meeting was non-public.

3. List of points discussed

PROMOTION

1. Debriefing and state of play of the call for proposals 2017 (number of proposals submitted, main targeted actions, state of play of the evaluation, etc)

Commission presentation (please refer to the presentation that has been distributed).

The chair thanks the Commission and opens the floor for questions and comments.

Questions from participants:

Question: Including wine in a programme is only admissible in the basket approach. How is the basket approach being used in the proposals and does it match what was meant in the Regulation?

Commission response: all eligible products can be in the basket, whether with or without wine. But wine can only be in basket.

Question: the first part of the evaluation of the proposals focuses on whether they fit the Regulation (and not on their technical quality), how has this part been this time compared to last year?

Commission response: last year 25% of proposals were indeed ineligible. This year there are also cases of ineligibility, particularly because of the eligibility of the applicant. The evaluation is not finished yet. There is an improvement but there are still cases. The Commission is planning to do more on training of applicants and provide this information in CHAFEA website.

Question: Detail on topic 7? How much is in diary and how much on pig meat?

Commission response: topic 7, 24 proposals, 40 million euro (3 times more than budget available). Evaluation is being carried out, no more information on the details is available yet.

Question: under simple programmes there are seven applications from the UK... what will be the attitude for approving these programmes?

Commission response: UK applicants have the same rights so far, so same assessment. There are also some UK partners in multi proposals. No discrimination will be done.

Question: in terms of representativeness, how does CHAFEA check if an organisation is representative? On eligible products: which should be covered by eligible costs if carried in third countries?

Commission response: The criteria for representativeness are described in the guidelines and the annex. The proposing organisation has to cover 50% of the sector, or if it is a Producer Organisation (PO) or association of PO it needs to be recognised by the Member State. This is defined in the delegated act. For agri-food sector bodies other set of criteria are also listed in the delegated act. Applicants should be able to submit the correct information. For

products, it needs to be checked that they are included in the list of eligible products. Live animals are part of the list.

2. Annual Work Programme for 2018

Commission presentation (please refer to the presentation that has been distributed).

Next steps: further contributions should be sent by 14 July 2017 at AGRI-B1-PROMOTION@ec.europa.eu. Discussion in October with Member States to approve the programme.

The chair thanks the Commission and opens the floor for questions and comments.

Questions from participants:

Question: thank you for the changes incorporated. More flexibility than previously. Changes on multi programmes also improvement. On the first topic what is the difference between quality schemes? What is the minimum amount of points for a programme to be financed? What is the threshold that a project needs to be eligible? Is it topic based?

Question: is there a possibility of cumulating points, for example if a project is a regional PGI would get points, pork meat would get priority points, but the two things are alternatives... can the values be cumulated? Would like to know when the next call will be published to be prepared.

Commission response: Topic 1 should read programmes on EU quality schemes. Regarding the number of points and minimum thresholds this is established in the call for proposals. 60% minimum for the criteria, and at least 70% for Union dimension. This will be kept for next year. Same quality independently of the topic. Then it depends on competition. If not much, the threshold would be enough, otherwise the highest quality will be selected. Timing of the call: intention to have it published in January at the latest, however the annual programme already gives enough content to start preparing. Regarding the possibility of cumulating points, all depends on the topic applied for. If the proposal as introduced under topic one, then it is not possible to cumulate points with other topic.

Question: there is still a big difference between requests and available budget: is it still possible to increase the budget?

Question: regarding the healthy diets, other products are also healthy not only fruits and vegetables. Are other products not healthy? This should be presented differently not to send the wrong message to consumers.

Question: The programme on fruit and vegetables should be clarified in wording. Also, it would have been good to have a presentation on the macro-economic analysis.

Question: The topic on specific features of agricultural methods: is it for all products? Need to cover everything or just one is enough? Third countries: improvement but still if applying to all three areas need to prepare and present three different programmes, difficult. Fruit and vegetable campaigns go beyond the "5 a day" programme. On SPS issues: will they also be covered under the commission own initiatives?

Commission responses: Budget is set in the legislation, so it is fixed. For multi-country programmes it will be again increased next year.

For the healthy campaign, the commission is ready to re-draft the title, but the objective is to support a sector in difficulty (Russian embargo and structural problems). It is necessary to give a thematic (health on fruit & vegetables, or sustainability in meat), so that this products

can still apply to other topics, and no overlaps occur. So that this becomes a reserved envelope and doesn't come in detriment of the sector targeted.

Topic B all sectors can apply, in the call would be more details on repartition of the topic.

This is a draft, comments will be taken into account, also please submit in writing.

Regarding the market analysis: internal work, internal reflection, so it is not something to entirely share with the group, but together of the work programme explanations will be given on the choices.

Regarding SPS seminars they are under commission own-initiatives: SPS seminars on third countries, as a follow up to missions and regarding markets of interest. There is going to be one in South Korea in November and then look at priorities in 2018.

More transparency and visibility to stakeholders will be given.

Question: promotion is done from a trade perspective, interest for producers, etc. But if we look at the facts: if health is the issue, then promoting fruit & vegetables is right. Consumption is not sufficient, and increase intake helps several chronic illnesses, and this is not the case for other products. Let's use science, otherwise consumers will not trust.

Question: don't forget farmers – education and training is also important to have quality products and good promotion as well.

Question: Regarding health, is also important to take into account the wellbeing of farmers, and that they have a good revenue. Promotion for sheep/goat meat will have an impact on the dairy sector. One of the problems for exports of this meat is non-tariff barriers (customs barriers), the commission needs to be aware of this and undertake actions to favour this.

Commission response: Regarding workers and farmers – promotion policy is about agricultural products of the EU, so other things are not under the scope. There are other tools under rural development that can cover this. Regarding health status of the flocks of sheep and goats this could be done under the SPS seminars in the markets that are important for this product.

Question: In 2016 there was a reserved list of programmes that had passed the minimum threshold but for which there was not enough budget. Have these programmes be used in the past after all? Second question: national quality schemes (topic 2 and topic B). Comment: recommendation when looking at sector specific instructions, caution, health and fruit & vegetables in school, careful.

Commission response: Quality threshold means is that below, no financed, but it is not enough to reach the threshold to be financed, is only the first condition, and then it depends on the number of proposals in the topic. All proposals above the threshold are put in the reserve list according to number of points, if a contract is not signed. For 2016 reserved list information will be provided at a later state.

National schemes: the promotion programme is on EU quality schemes (under topic 1 and A for multi), if for national (topic 2 and B) but keep in mind that the promotion programme should have a main EU message. Any campaigns on national schemes should fulfil the conditions to mention the origin (secondary message in IM and at same level on third countries)

Regarding the UK: negotiations for two years, which could be prolonged if unanimity. For the moment they will be out in April 2019. Until then no discrimination.

3. CHAFEA technical support service

Commission presentation (please refer to the presentation that has been distributed).

The chair thanks the Commission and opens the floor for questions and comments.

Questions from participants:

General agreement to congratulate the Commission.

Question: when registering, does one have to pay?

Commission response: the content came with a cost. Therefore registration to make sure that only European organisations have access without a fee.

Question: regarding the info day, last time it was based on old programmes, it would be good to focus on the programmes under the new system.

Question: On evaluation: are there any first facts and figures, or by when might we have a link between the new EU promotion and macro-economic figures on exports, value added, etc.

Commission response: The Commission must have a report to the Council and the European Parliament on the impact of the promotion legislation in 2018. By the end of 2020 also report about the whole system about what are we getting out of it to see whether improvements are needed. This are the two dates that have been fixed. For the 2020 report, evaluation by an external expert to have solid information.

4. High level missions

a) Debriefing on the High Level Mission to Canada

Commission presentation (please refer to the presentation that has been distributed).

The chair thanks the Commission and opens the floor for questions and comments.

Questions from participants:

Question: critics in Italy in regard to access to Canadian market for niche products. For industrial organisations would like to know for indications if there are Canadian plants to impede the entry of some PDO products?

Commission response: In the CETA agreement there is a chapter for geographical indications and we have managed to secure many of them. High interest in Canada for these products. But there are still legal requirements to be conformed with.

b) Information and discussion on the preparation of the next High Level Missions

Commission presentation (please refer to the presentation that has been distributed).

The chair thanks the Commission and opens the floor for questions and comments.

Questions from participants:

Question: what is covered by genetic material? Other topics beyond trade for Iran?

Question: on the products in the list, is this exhaustive or can we add luxury products? What else beyond trade for Iran?

Question: regret that there is not visit to UEM, and second question further visits?

Commission response: selection of sectors is not exclusive, but the list was made from the point of view of chances that sectors would have more chances in these markets not to raise false expectations. Genetic material to be followed up by email with more details. The request was made by the counterpart.

Beyond trade means: Iran is challenging, not necessarily focusing business exchange on trade only. The mission is focusing on trade, nevertheless, chances for enterprises for entering the Iranian market, multiple step process, might involve offering Iranians presence on the ground for future trade dealings (i.e. joint venture opportunities). Signal from business applicants that they will hear from the Iranian side more than just about trade.

Halal will be dealt with specifically.

Question: can fair milk be incorporated in this type of trip.

Commission response: of course.

5. AOB: Modification of grant agreements

Commission presentation (please refer to the presentation that has been distributed).

DG AGRI indicated that in 2016 all grant agreements were signed and there were no pending authorisations on 30 March, meaning that there was no budget free for programmes in the reserve list.

The chair thanks the Commission and opens the floor for questions and comments. No questions are raised.

QUALITY

1. On-going legislative developments in the area of quality policy

A lot of work has been done since December, a lot of progress. Two areas active: one the commission proposal for the spirit drinks regulation, and implementing and delegated acts for wine labelling, for GIs and for traditional terms.

Spirit drinks regulation: the commission proposal tabled on 1 December. The presidencies have been very active since then. Meetings in the Working Party in Council every month. Commission listen to all Member States (MS) representatives. MS also submitted written comments. The proposal was presented here in December. Two main issues discussed, raised by MS: one is the division into implementing powers and delegating powers given to the Commission, the other procedures that will apply to GIs registration, amendments and cancellations. NO changes with regard to definition of a GI, to protection, to relation to the trade marks. Changes are in the part in regard to procedural changes (procedure for registration, amendments). The aim was to simplify and modernise. The latest activities was that the presidency organised a drafting session, going on for the last two weeks. Presidency to present a revised version, that will be discussed in July and the GIs part in September.

Delegated and implementing act for wine: Regarding the GIs part (not together with the other two parts) The MS and the sector welcome the merge, the solutions that were found regarding to treatment of minor amendments. What is proposed, enlargement of the scope of minor amendments and responsibility given to the MS to approve minor amendments. This will shorten the procedure and the time, and will make MS responsible with regards to the

changes to the specifications of wine GIs. Meetings of the expert group of the delegated act and the steering committee for the implementing act in January and April. Written comments by MS. Next meeting in July.

Second speaker: For spirits, general framework: EP first reading in (ENVI Committee will vote in November on its position) Then associated committees (AGRI and INTA) Three committees concerned. As regards wine merged chapters in one implementing and one delegated act. DG AGRI has proposed to enlarge minor amendments which become now standard amendments (will cover 95% of all amendments). The rest will be called European (EU) Amendment and only these will have to go to the commission. Amendment of the name, category, amendment that risk to void the link or may affect the circulation of goods. So almost all will be adopted by MS, and they will be immediately applicable. Lawfully in the labelling once adopted. Meeting on 13 July.

Questions from participants:

Question: thank you to the Commission on the GI chapter. Timeframe for discussing the modification of Union amendments. Operators need a clear timeframe to adapt to the market. In the last draft of the acts happy to see that it was taken into consideration that a temporary labelling is allowed.

Question: The draft delegated acts circulated, in the meanwhile, have there been any further proposals for amendment in regards to Commission competence? AOP and DOC labels for Italy, will that be one single denomination to clarify the origin and quality policy for wine.

Commission response: Deadlines for commission to perform scrutiny of the EU amendments, but also applications to register a new wine name, in the current legislation there are no deadlines and indeed takes a while, also because the current legislation is complicated and takes time. The commission is seriously reflecting to introduce a deadline and this is in discussion in the com services.

Possibility to label the wine with PDO or controlled denomination of origin this will continue to apply.

The draft that has been sent out to MS, contains this rule where by a pending amendment which in the future will become a Union amendment, the current rules of 67 will apply for labelling. The changes made to the acts, the latest one were sent to MS only a couple of days ago, for the meetings taken place on 13 July. On the part on GIs there is nothing new, there were a couple of little tweaks but no major changes. And then there is the question of the deadline.

Question: what impact has this in international treaties, agreements, do they have to be negotiations?

Commission response: the content itself is about requirements for the GIs to be registered in the EU, like it is in the food sector. The regulation itself does not speak for international agreements. But obviously third countries can apply for registration and have their GIs protected in the EU; and we have agreements with countries. The spirit drink proposal was notified in the framework of TBT agreement. And the wine, we are not yet in the phase to inform third countries, but once the text will be agreed inside of the commission, notably the delegated act will also be notified to the TBT.

2. Debrief of the ORIGO event (www.origoglobalforum.com)

Presentation by AREPO (please refer to the presentation that has been distributed).

Comments from the European Commission: The European Commission confirms, it was a very interesting and successful event. Topics were very relevant (sustainability and

international dimension of GI policy). The producers came together. In expo Milano something similar was done. This is something that is missing that the producers speak and explain why they chose GIs, how they organise themselves, which challenges they face, etc. Sometime questions on why some countries have so few GIs: Is events like this and is the producers the best to explain the advantages and explain experiences. Maybe doing it next time in another country is indeed a good idea. The commission involvement, discussions took place with Emilia Romagna, the Commissioner gave its patronage and there was active participation by the Commission. In the future it can be discussed to what extent the commission could be involved.

Comments from participants:

Maybe it would be a good idea to link this event to other established fairs.

There was not very much time between the announcement and the actual event. So when repeated, maybe if along an established fair that would attract more people. No only producers but other parts of the chain should be involved, particularly in view of B2B relations. More time to raise the interest on the commercial side as well.

General reflexion, bridge between small and big producers. So as part of some future event it would be good if we could hold it as to give better coverage to the whole producers' world. Small producers are interested in these labels. This would allow the event to have more impact and become more important. We need to talk about how big producers influence consumer choice. Food cities around the world. Bring another group of stakeholders.

Small producers were there as well.

80% of PDOs don't leave the country since they are only produce in small volumes. Would it be valuable to have an exchange between countries? We could learn a lot from one another. For Austria the B2B is less important, but other internal aspects on how to get organised is much more important. Exchange ideas and gather knowledge on how things are done in other countries would be very useful. Same thing on controls.

3. State of play of the delegated and implementing acts of the European Regulation on Official controls

Commission presentation (please refer to the presentation that has been distributed).

The chair thanks the Commission and opens the floor for questions and comments.

Questions from participants:

Question: Implementing act for dairy production.

Question: risk based approach. From DG SANTE are there any ideas on how to bring this to life? Synergies with national systems? Any informal measures / examples to bring synergies to life?

Question: Regarding the priority projects: what are the methods used to work on this projects and set them up and publish the results?

Commission response: milk and dairy sectors – the point of the departure is the current rules, so if it is not broken there is no need to fix it. Reflection on any changes needed by MS. This is the task of UNIT G4 on import conditions and list of approved establishments, etc.

Regarding schemes they must be effective by MS, but with compliance is the minimum. By the end of the year there should be a report from this project. G4 is in charge of hygiene requirements.

Other units are involved in very specific things. And then coordination.

Question: if one objective is minimum disruption of business, how will you do this?

Commission response: this is about MS when performing controls on the ground. Then the Commission also is taking into account the specific situation of small business.

Question: If it is not broken, don't fix it, but if it is it should be fixed. But how are you going to decide what needs to be fixed, decision by MS or also stakeholders? Case of beef and Brazil.

Question: frequency of controls based on risk. Is there a minimum control requirement even if risk is low?

Question: contribution to be made by individual operators, in terms of competition there should be some harmonisation not to create distortion between MS.

Question: the situation in Italy is not good. So it's good to leave some freedom to MS, but at least some guide is necessary.

Commission response: aware of differences in MS on quality assurance schemes. Directorate F, global gap and BRC met, also discussion in the NL. We are not there yet for a harmonised approach.

The situation of Brazil has been discussed in the Commission to tackle it as a union. Increased controls for certain products will take place.

Who decides what's broken? MS yes, also stakeholders, but also Directorate F and audits. Also looking for cases of ambiguity.

Frequencies: based on risk and there are two derogations: for the import controls there will be a 100% documentary check. Secondly there will be criteria to modify frequencies of physical controls, the risk must be more than 0%.

Question: control of smaller producers, if they have a clean record, do you have to carry out control?

Commission response: Art 9 sets the criteria for the frequency of controls (5 years, 2 years, 10 years?) depends on risk. There is no EU decided frequency.

Question: when there are controls there are not two samples, so how to proof and defend yourself?

Commission response: In the new control regulation (probably copy past from the past) art 35 => there should be saving enough samples for a second opinion if requested by the operator.

4. AOB

COOL – MS are taking all sorts of initiatives, in the milk but other sectors as well. The Commission must harmonise. Huge confusion in the single market.

Marketing standards: COM was informed during this morning evaluation of marketing standards. The unit is not available. The evaluation of marketing standards is an initiative for which a road map has now been published so this document is public. Evaluation of the current marketing standards policy. DG AGRI is working on the ten specifications for this evaluation. The COM intends to make a public consultation during 10 weeks in the first

quarter of 2018. Also the issue of evaluation of marketing standards has been discussed on the specific CDG that are covering the single market organisations.

Participants: this is very relevant for quality, competence of this group and it is unacceptable that is not discussed in this group.

The commission will discuss with the unit responsible for marketing standards.

4. Conclusions/recommendations/opinions

5. Next steps

6. Next meeting

The Chair thanks the Commission, translators and all participants. Next meeting will be held on 12 December 2017. The meeting is closed.

Disclaimer

"The opinions expressed in this report represent the point of view of the meeting participants from agriculturally related NGOs at community level. These opinions cannot, under any circumstances, be attributed to the European Commission. Neither the European Commission nor any person acting on behalf of the Commission is responsible for the use which might be made of the here above information."