

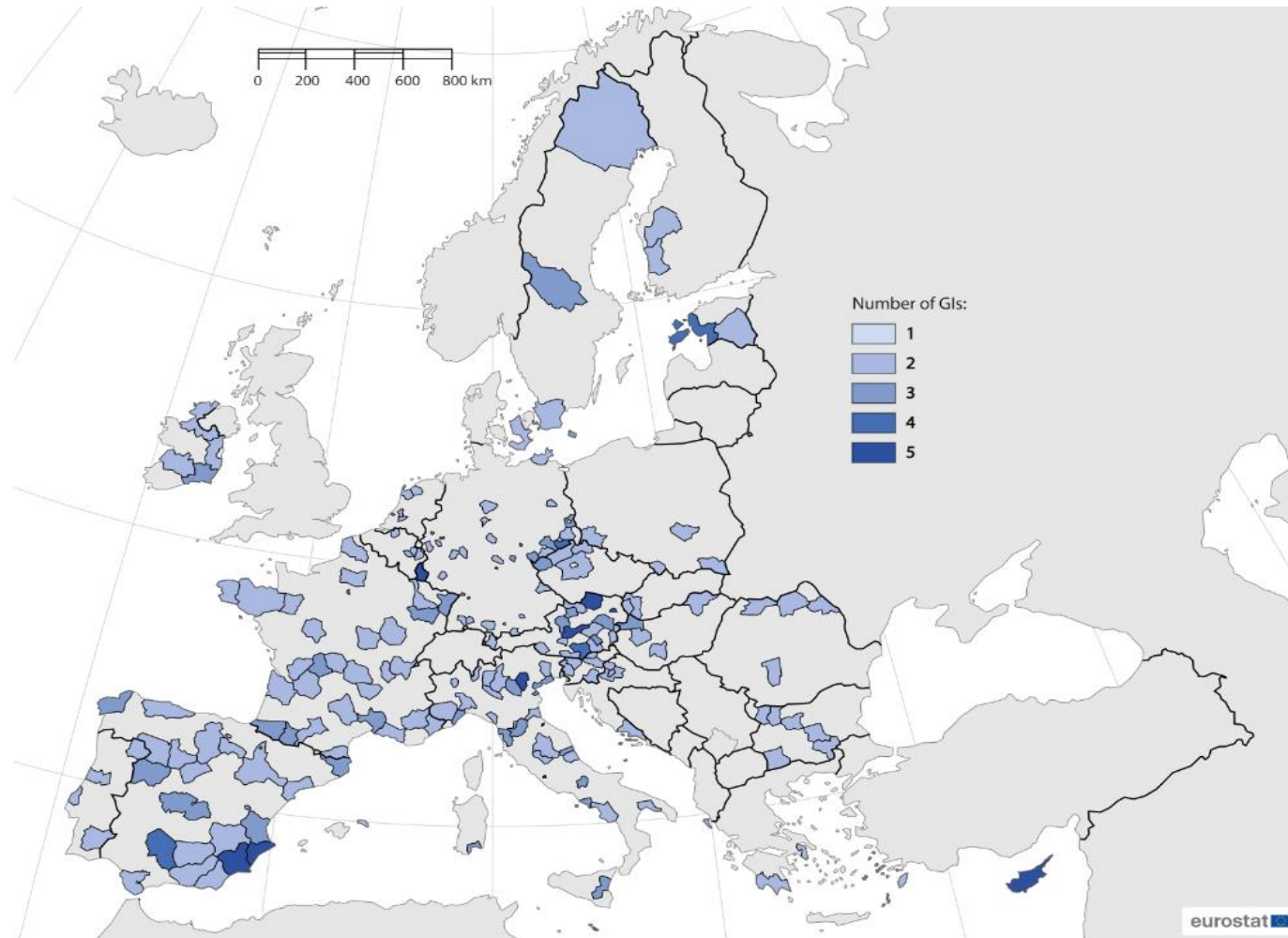


EU regulation on geographical indications for craft and industrial products

Intangible Economy Unit, DG GROW C.4

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Economic context



Note: The picture maps 300 craft and industrial products identified in VVA *et al.* (2020) into nuts3 regions.

- 80% of CI GI products are made by **small and micro enterprises**



- Located in less developed regions:** 75% of the regions with CI GI products have either GDP per capita or unemployment rate below the EU average



- CI GI products are located in the regions with significantly higher **vulnerability in the tourism sectors** when compared to regions without geographically rooted products

Political context

European Commission

- Industrial Strategy Communication, 10 March 2020
- Intellectual Property (IP) Action Plan, 25 November 2020

Repeated calls since 2015

- European Parliament
- European Economic and Social Committee
- European Committee of the Regions

Council

- Conclusions on intellectual property policy (2020 and 2021)
- Letters from some Member States

EU accession to the Geneva Act of the Lisbon Agreement on Appellations of Origin and Geographical Indications in November 2019

The Proposal for a Regulation, 13 April 2022

EU Accession to Geneva Act

- Lisbon system applies to GIs for **all products**
- EU cannot protect EU CI GIs in other Lisbon members
- EU cannot protect third country CI GIs in EU
- Exclusive EU competence – only 7 EU MS party to Lisbon

Existing EU laws not suitable

EU Trade Mark law

- EU collective mark – restriction to certify geographical origin
- EU certification mark – guarantees collective *commercial* origin
- Scope of protection not in compliance with requirements in Lisbon/Geneva Act

Divergent national protection rules across Member States

Complex landscape of available protection routes in EU

- **EU level:** EU TM law
- **National level:**
 - Sui generis GI schemes in 16 MS
 - Individual/collective marks in all MS
 - Certification marks in 9 MS

Consequences: missed opportunities for trade, employment and rural development. (Cost of Non-Europe report by EPRS)

Objectives: What is to be achieved?

General objectives

- Fulfill the EU's obligations under the Geneva Act of the Lisbon Agreement
- Create a functioning internal market for CI geographically-linked products

Specific Objectives

- Applicant friendly and affordable registration system
- Effective and affordable system of control and enforcement
- Low cost for public authorities

The draft regulation - basic features

1. Balanced criteria for protection as to territorial link

2. Two-stage registration procedure

3. EUIPO as EU authority in charge

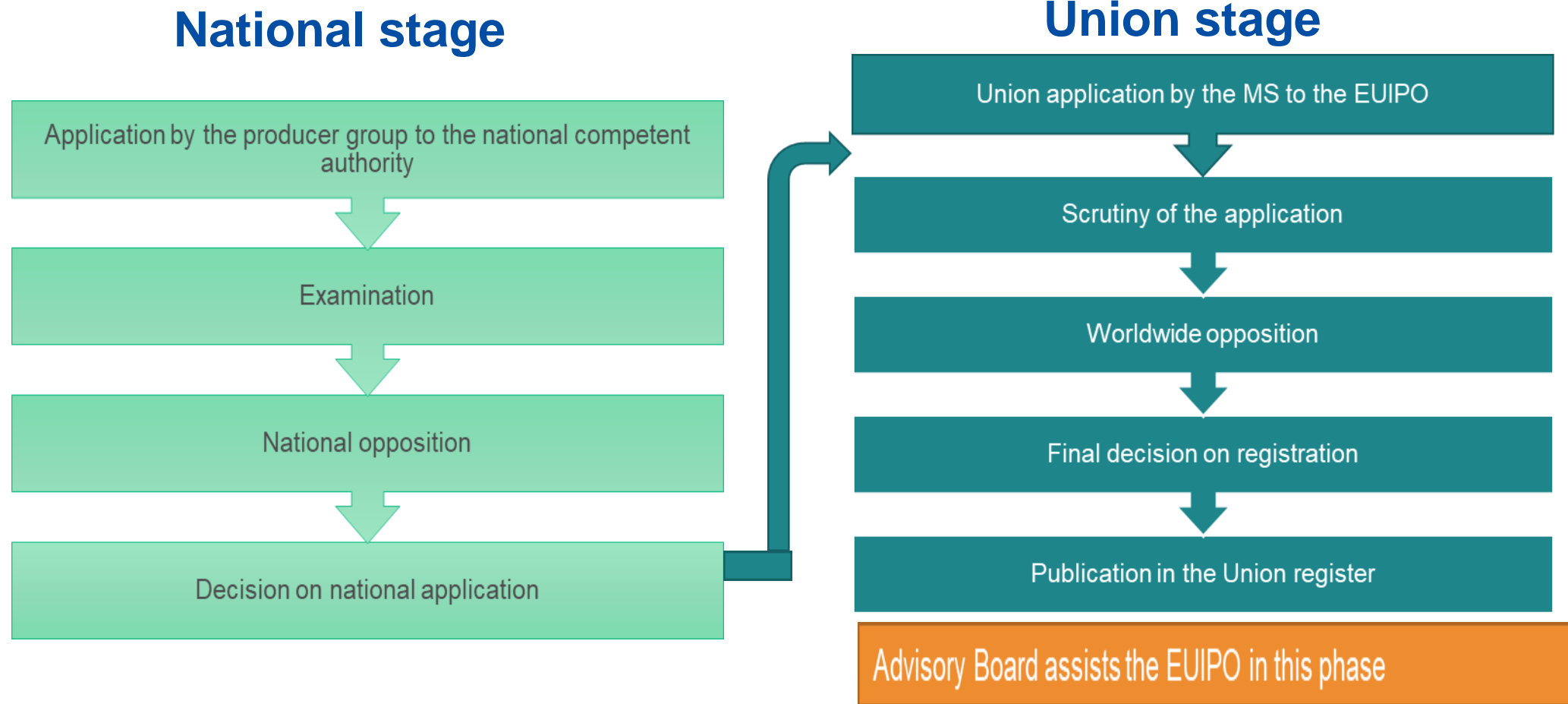
4. Flexibility in control and enforcement

5. EU system to replace national CI GI rights

Scope and criteria for protection

- **Scope:** limited to 'craft and industrial' products
- **Requirements for a geographical indication:**
 - Originates in a specific place, region, country;
 - Its quality, reputation, characteristics are essentially attributable to its geographical origin; and
 - At least one production step takes place in that geographical area

Two-stage registration procedure



Commission proposal: Two exceptions to the standard registration process

Direct Registration procedure

- **No national application phase** - applications lodged directly with the EUIPO (EU level only). Commission may allow it only for those Member States that:
 - Have no system at national level in place to manage CI GIs, and;
 - Show low national interest for CI GI protection
- **Member States to assist EUIPO** by nominating a **point of contact** for the registration procedure + a competent authority responsible for the control and enforcement of GIs.

Commission takes the GI Decision

The Commission may take over from the Office the power to decide on the application for registration of a geographical indication where such registration of the requested geographical indication might be **contrary to public policy**, or its registration or rejection might **jeopardise the Union's trade or external relations**.

Fees

No fees at EU level, except for direct registration and appeals

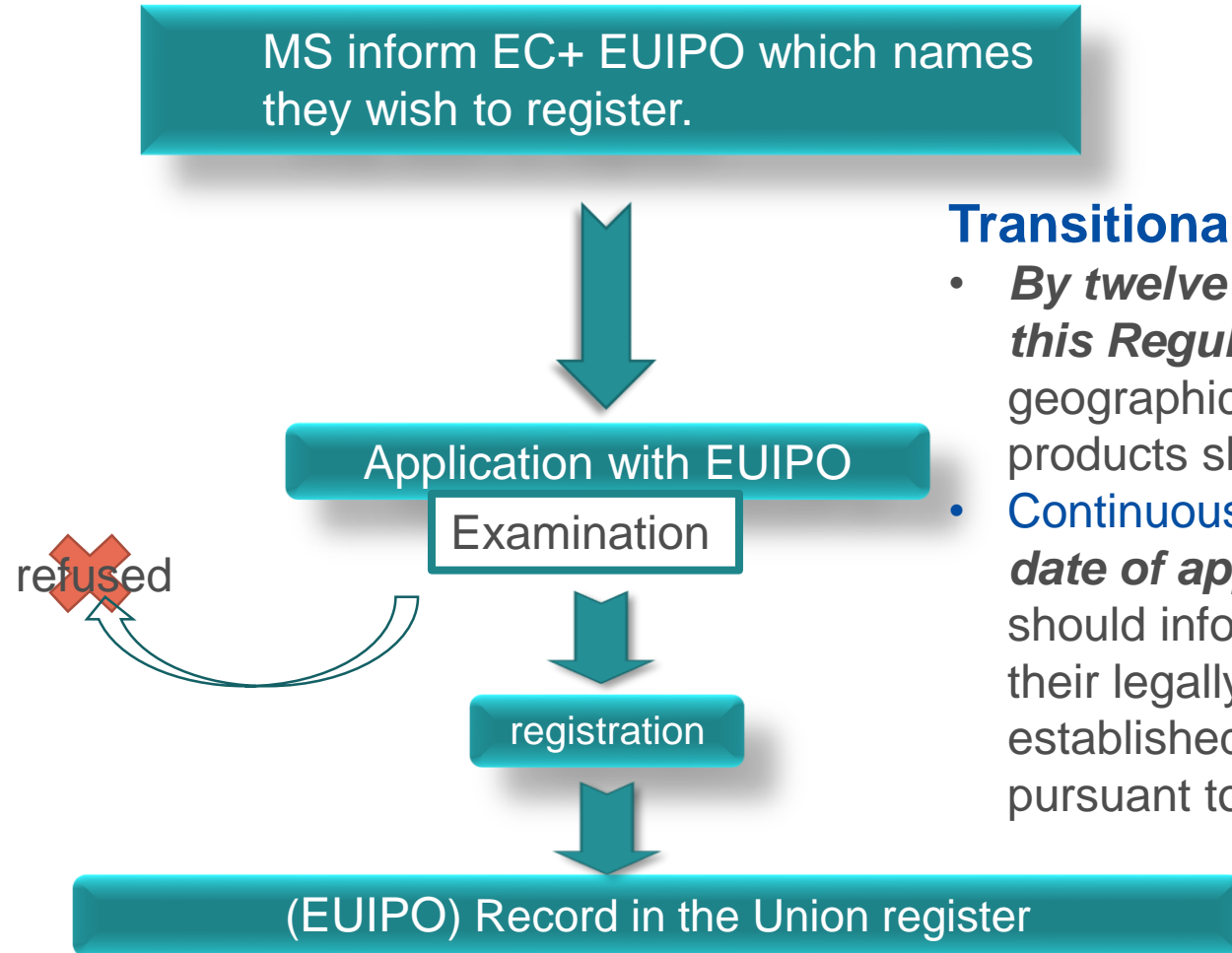
MS may charge fees for the national application phase/controls, taking into account the situation of MSMEs

Controls and Enforcement



Penalties

Transitional registration procedure



Transitional and final provisions

- ***By twelve months after the date of application of this Regulation***, national specific protection for geographical indications for craft and industrial products shall cease to exist.
- **Continuous protection:** ***By twelve months after the date of application of this Regulation*** Member States should inform the Commission and the Office which of their legally protected or which of their names established by usage they wish to register and protect pursuant to this Regulation.

Thank you for your attention!

