

Brussels,
... / ... (2020)

FINAL MINUTES

*Meeting of the Civil Dialogue Group Quality and Promotion
6 December 2019*

Chair: Giulio Benvenuti (COGECA)

Organisations present: All Organisations were present, except Beuc, ECVC, EFNCP, EFOW, EPHA, ERPA, FOEE and WWF.

1. Approval of the agenda

2. Nature of the meeting

The meeting was non-public.

3. List of points discussed [Name of each point, one by one]

1. Elections of the Civil Dialogue Group on Quality and Promotion

Quality (a.m.)

2. State of play of BREXIT, in particular in relation to GIs and Promotion Policy

3. Follow-up: EU best practice Guidelines for voluntary certification schemes for agricultural products [2010/C 341/04] – Euromontana presentation, followed by questions and discussion

4. Marketing Standards: Update on the survey and evaluation process (timeline, next steps, etc.)

5. Evaluation as regards Quality and GIs – highlights from the Mission Letter to the new Commissioner Wojciechowski

6. Geneva Act: update on recent approval and consequences for the EU Geographical Indications

7. Update on the eAmbrosia database

8. Annual Report on Food Fraud 2018 with a focus on Geographical Indications

AOB

Promotion (p.m.)

1. 2019 calls for proposals – statistics on submissions and funded projects
2. Presentation by the Commission on the Annual Work Programme 2020. Overview of the contributions, highlighting foreseen differences with the previous year.
3. Own initiative campaigns by the Commission – SPS seminars, ongoing campaigns and activities 2020
4. Evaluation of the Promotion Policy: state-of-play
5. INFO session on the 2020 AWP for potential applicants
6. Implementation of the EU promotion policy – Stakeholder presentations, followed by questions and discussion. Presentation by Christian Jochum for COPA-COGECA

AOB

1. Elections of the Civil Dialogue Group on Quality and Promotion

Giulio Benvenuti (COGECA) was re-elected as Chairman of the CDG. Laura Marley (FoodDrinkEurope) and Simona Rubbi (SACAR) were re-elected as Vice-Chairs.

Quality (a.m.)

3. Follow-up: EU best practice Guidelines for voluntary certification schemes for agricultural products [2010/C 341/04] – Euromontana presentation, followed by questions and discussion

Euromontana provided a presentation regarding Regulation 1151/2012 on *mountain product* quality schemes. The presentation is available on CIRCABC. Euromontana mentioned that the criteria set in Regulation 1151/2012 were less stringent than those self-established before by the actors in the *mountain products* chain. The 2010 Commission Guidelines are outdated, although the main principles are still valid, and therefore they would need to be updated. Euromontana stated that, thanks to the Regulation 1151/2012, the chaos around *mountain product* certifications schemes was mostly solved.

AREPO disagreed with the last statement. According to AREPO there are still too many confusing certifications mentioning “mountain” in their labels, therefore more solutions should be put forward.

Euromontana and the Chairman underlined that having legislative instruments in place, as a Regulation, may help tackling the “far west” of certifications which still currently exists.

COPA stated that in EU we have different levels of certifications. However, consumers must not be misled, according to Regulation 1169/2011. In addition, when it comes to food quality control and enforcement, we need more stringency. As certifications schemes fall within DG AGRI mandate, but consumer information is a responsibility of DG SANTE, we need to build a greater coherence in future. Food fraud is also related to these 2010

Commission Guidelines, and perhaps national authorities may utilise such Commission Guidelines to carry out controls; confusion must be avoided. Finally, COPA acknowledged the positive contribution of the Regulation 1151/2012 to the *mountain product* certification schemes, although we need to upgrade the Guidance document from 2010 into a real Regulation. COPA also asked Euromontana if the Regulation 1151/2012 proved to be economically beneficial for producers, once in place.

Euromontana replied that the Regulation 1151/2012 proved to be beneficial depending on the producer: once new marketing strategies were implemented and consumers were properly informed, there was an economic gain for small *mountain products* producers, otherwise consumers did not recognise economically any added value to industrial products.

The Chair commented that the 2010 Commission Guidelines focus on two different subjects: voluntary certifications of *products* and *processes*. The 2010 Commission Guidelines set some rules, but the added value can be recognised only when a proper marketing strategy is in place.

DG AGRI commented that the criteria set in Regulation 1151/2012 may be loose because they needed to be adapted to different geographic regions, which was not easy to balance. Criteria were established based on some studies and discussions with Member States and stakeholders. As a general rule it is easier to develop criteria for smaller areas. Geographical Indications still provide a valuable alternative if more stringent requirements are desired, as they are self-established by the producers, guaranteeing at the same time higher protection.

COPA and Euromontana concluded reiterating their concerns about the lack of respect for *mountain products* certification schemes criteria by some food business operators, and that Regulation 1151/2012 was just an example of how a law was able to partly bring some balance between chaos and order, wishing for similar interventions to be carried out in particular in the certifications for *processes*, more complex and less known.

4. Marketing Standards: Update on the survey and evaluation process (timeline, next steps, etc.)

DG AGRI introduced the evaluation of the Marketing Standards legislation and concluded by highlighting that it is finalised and the final report will be published in the following weeks.

COPA and COGECA commented to be in favour of EU rules in order to properly regulate the internal market and avoid proliferation of irregular situations. Standards established by Member States or retailers are disruptive for the Internal Market. COGECA also asked if such report will be taken into account in the current discussion on single CMO taking place in ComAGRI.

The Chairman added that, in case of fruits and vegetables, there are still references to the old marketing standards removed 10 years ago. In addition, it is wrong to state that marketing standards are the reason for food waste, but rather the opposite: the selection provided by the marketing standards once harvested allows to send each product to the proper destination (e.g. retailers, food processing, animal feed).

DG AGRI replied that they cannot provide many additional information until the report will be published; anyway, such report will not include recommendations but only the

current state-of-play. The discussion around marketing standards will anyway re-open, possibly including also sustainability aspects (although falling within DG SANTE mandate).

COPA provided as an example the discussion around the beef marketing standards, asking to define clearly what are marketing standards. Maybe the UNECE marketing standards may provide good basis for possible new EU ones. Consumer information may be addressed through marketing standards or through Regulation 1169/2011, but politically it is not the same.

DG AGRI concluded that the definition of marketing standards is clear in the single CMO Regulation, more specifically in Annex VII as regards meat products. Some definitions will be most probably modernized.

5. Evaluation as regards Quality and GIs – highlights from the Mission Letter to the new Commissioner Wojciechowski

DG AGRI informed about the current evaluation of the Quality Policy (i.e. Geographical Indications), which will take place during the next year 2020, covering foodstuffs, wine, spirits and aromatised wines. A draft report is expected to be delivered by the end of next year by the external contractors (Terms of Reference available online). In parallel, a public questionnaire is available until 27th January in order to collect inputs directly from the stakeholders (65 replies received until now).

Concerning the Mission Letters to the AGRI Commissioner, 5 years ago the GIs were mentioned in the context of *simplification*. Indeed, during the last 5 years DG AGRI made simplifications via a Lisbon-aligned spirit drinks regulation, which is in force since June 2019; implementing and delegated acts for wine in force since January 2019; and proposed some new rules in the single CMO concerning foodstuffs and wine, while a separate scheme for aromatised wine should no longer exist, but should be included in the food scheme. For the next five years, the new Mission Letter focused on *strengthening*. Some initial thoughts from DG AGRI cover the following topics:

- Enforcement and controls: if we want to better protect GIs in the Member States, we need better control, in particular on food fraud.
- Internet: sales of counterfeit products as well as domain name systems (e.g. internet address ending with *.food*)
- Role of producer groups: producer groups have already an important role, not only by specifying the rules in the product specification but also in relation to their position on the market. Two already existing articles in the single CMO Regulation already allow cheese and ham PDO/PGI producers to manage the production and marketing of their product.

The goal is also an increased transparency for consumers.

COGECA stressed the importance of controls on GIs in Third Countries. Controls are not necessarily carried out after trade agreements are concluded, but they are rather dependant on the local administration. Enforcement is necessary, and more cooperation between DG SANTE and DG AGRI (as leader) is welcome. As regards the role of producers organisations and possible withdrawal of products in case of a crisis, that is a possibility but we need to be sure that we refer to real producers. Today, in terms of legislation, there is a great fragmentation of producers groups, and clarification is needed. Producers

organisations are indeed the backbone for controls and an added value to GIs. COGECA is willing to provide support and cooperation.

COPA commented positively on the three priorities explained by DG AGRI and on the will to strengthen the GIs system. In Canada, following the CETA Agreement, some GIs saw a decrease selling of almost 50%. Balance shall be provided by official controls and market as well. Besides, also the “*sounding*” needs to be taken into account, as the definition is not clear and it should be considered as food fraud as well.

DG AGRI replied that the legislation under evaluation is not the one concerning international trade agreements but the four Regulations, which include GI rules. International trade agreements always mention the level of protection guaranteed, and it is up to the authorities in the Third Country to ensure controls.

6. Geneva Act: update on recent approval and consequences for the EU Geographical Indications

DG AGRI explained in detail the process concerning the accession of the European Union to the Geneva Act of the Lisbon Agreement. The Lisbon Agreement, administered by WIPO, offers a means of obtaining protection for appellations of origins (AO), a subset of geographical indications (GIs), for agricultural as well as non-agricultural products in its contracting parties (the members of the WIPO Lisbon Union) through a single registration. It has 28 Contracting Parties including 7 EU Member States. The legislative acts for EU accession are Council Decision (EU) 2019/1754 and Regulation (EU) 2019/1753. Member States may request the Commission to register such GIs in the Geneva Act on their own initiative or following a request by GI holders. As regards Third Country GIs notified by the WIPO International Bureau to the EU in view of protection, the Commission will assess them within four months “from the date of the registration of the GI in the WIPO International Register”. There will be an opposition procedure (Article 6 of Regulation 2019/1753) four months from publication of the GI by the Commission.

COPA asked if Member States can continue to access the Lisbon Agreement independently. DG AGRI replied that they have such possibility if they wish to do so, but in the interests of the European Union.

CEJA asked if some Third Countries with high levels of trade with the European Union are considering to join the Geneva Act as well. DG AGRI confirmed by indicating that e.g. Russia, some Western African Countries and Switzerland are considering to join the Lisbon Agreement as well.

7. Update on the eAmbrosia database

DG AGRI presented the latest developments as regards the eAmbrosia database. The presentation is available on CIRCABC. Until now there were four different databases but they will be merged and harmonised. In fact, some databases are quite old, and increased synergy is required in order to communicate more clearly with the public and control authorities. Accessibility will increase, as information will be easier to be downloaded.

FoodDrinkEurope asked when the food register will finally be integrated. DG AGRI replied that the process will be finalised before the end of 2019, when at least names and registration dates will be inserted. Additional information (e.g. OJEU links and other documents) will follow.

2. State of play of BREXIT, in particular in relation to GIs and Promotion Policy

DG AGRI presented the current state of play as regards Brexit. On 17th October the EU Council has endorsed a negotiated withdrawal agreement, which includes Ireland. Northern Ireland will remain aligned to the EU Single Market, therefore no border is expected between Ireland and Northern Ireland. There was a political declaration with an ambitious trade agreement mentioning duty free and quota free. EU Council on 29th October 2019 gave an extension to UK until the 31st January 2020. A withdrawal agreement is expected to come into force on 1st February 2020. An orderly withdrawal is the preferred strategy by EU, currently. “No deal” scenario is still possible in case the withdrawal agreement will not be endorsed before the 1st February. In the meantime, the sixth communication on Brexit preparedness was published.

Concerning GIs, in the current withdrawal agreement it is stated that GIs will be protected in UK at the same level as they are now protected in the EU. Such protection would last until the end of the transition period at least (end 2020), up to 2 additional years, if the request is tabled before July 2020. The protection of GIs after this period shall be further discussed within future agreements.

COGECA thanked the Commission (i.e. the Brexit Task Force) for the excellent work carried out. After the Brexit the Irish border will be the EU external border. How will control be carried out on products from the rest of UK? And what will happen to GIs in case of no-deal Brexit? Who has to ask the extension before July 2020: UK or EU? And how this extension will be voted: by qualified majority?

FoodDrinkEurope asked clarifications on the division of tasks between DG TRADE under Commissioner Hogan and the new Task-Force for relations with the UK, under Mr Barnier, in view of negotiating the trade agreement with UK.

DG AGRI replied that all products entering Ireland (including Northern Ireland) coming from Great Britain will be controlled and inspected according to the SPS standards we have in the EU market. However, the risk of illegal transfers for most of the products from UK to EU is still high. There should be no fear, though, that products not compliant with the EU standards will enter the EU territory.

DG AGRI continued that, in case of no-deal Brexit, there is no clarity from UK side. One possibility would be for GIs to be protected as trademarks in EU, but we have no answers yet. As regards the procedure for extension of the transition period, the request must come from UK. There is already cooperation between the Brexit Task Force and DG TRADE, although the main coordination falls within the responsibilities of the Brexit Task Force.

8. Annual Report on Food Fraud 2018 with a focus on Geographical Indications

DG SANTE presented the Annual Report on Food Fraud 2018. The presentation is available on CIRCABC. The new official Control Regulation was mentioned as well as the joining of the AAC-FF system and the iRASFF

COGECA thanked DG SANTE for the interesting presentation, but complained about the example of the olive oil fraud dated back to 1981, when Spain was not still a Member of the European union. In addition, it was stressed that in Spain the controls fall within the responsibility of the autonomous communities and therefore no harmonisation exist between the different regions, in addition to the shortage of inspectors.

COPA reinforced the notion that food fraud causes economic losses for farmers, therefore the work on food fraud is very important. However, the slides as regards the site of production of counterfeit alcohol should be amended, as the food fraud happened only in Czech Republic, whereas in Poland there were only victims and no counterfeit spirits were produced. COPA also highlighted that food fraud is the proof that some products are indeed considered *premium* if they are targeted by criminal activities. Consumers are deceived by food fraud and control authorities should be more aware of the problem.

DG SANTE replied that Spain was just an example to give an overview of the different products and fraud. The Commission has no power over control authorities in the Member States as well as regarding the number of inspectors on the territory. The problem with counterfeited GIs was acknowledged, and further strengthening of such controls are indeed needed. Criminals are more and more developing new trick and tools to deceive customers.

AOB

AREPO took the floor in order to read their recent position paper on US tariffs, specifically:

“With the purpose of offsetting the effect of US tariffs, AREPO has formulated a 3-point position demanding:

1) The integration of the CAP crisis reserve fund to be used to support the affected producers; Furthermore, in line with the Resolution adopted by the European Parliament in Strasbourg on November 28th, it reiterates the importance of avoiding further cuts to the CAP budget.

2) A share of resources to be allocated to GI consortia for the legal protection in countries not covered by bilateral agreements. These consortia are not only defending a specific GI, but are also providing a defence service for the whole European quality system, ensuring that it is maintained worldwide.

3) The provision for priority scores for projects submitted under Regulation 1144/ 2014 by GIs affected by duties with the aim of carrying out promotional actions in those markets subject to them. In addition, with regard to the promotion regulation, we welcome the commitment of the former Commissioner for Agriculture, Phil Hogan, and the European Parliament to adopt measures to ensure the extension of the duration of promotion campaigns in the United States and greater flexibility in the management of promotion campaigns. Furthermore, within the limits of the resources available, we support Parliament's proposal to the Commission to increase funding allocated to promotion for 2019 and to adapt the rules on control and audit to the exceptional circumstances, without prejudice to operators for the inevitable adjustments that they will have to make to promotion measures or for the failure to implement these measures already planned.”

DG AGRI replied that there is the possibility of having some flexibility in the Promotion Policy. DG AGRI understands the regret from the agri-food sector in being penalised for something they are not responsible for, and this is why there are already discussions on possible solutions. In addition, next April 2020 and June 2020 there will be possibility to apply tariffs on some USA products as well, however the final goal is not to feed a commercial war.

Promotion (p.m.)

1. 2019 calls for proposals – statistics on submissions and funded projects

DG AGRI provided an overview of the statistics for the 2019 Calls; the two presentations are available on CIRCABC.

COPA asked what was foreseen for the amount of money not utilised in the Multi Programmes (17.2 million euros). More tools should be available to avoid such situation in the next years.

DG AGRI replied that, according to the legislation, such amount of money cannot be moved to Simple Programmes but they can be used for the own Commission's initiatives, for a total amount in 2019 of 26.7 million euros.

2. Presentation by the Commission on the Annual Work Programme 2020. Overview of the contributions, highlighting foreseen differences with the previous year.

DG AGRI presented the next Annual Work Programme for 2020. The presentation is available on CIRCABC.

SACAR commented that there are still differences between Simple Programmes and Multi Programmes. In order to simplify the presentation of Simple projects and to make the system homogeneous for the two types of programs, they suggest to eliminate the geographical areas for Simple projects destined for Third Countries (Topic 3, 4 and 5), as it is for the Multi projects (Topic C).

FACE Network and AREPO asked the definition of "*market disturbance*", in particular in correlation to US tariffs.

COPA stressed that Multi Programmes are very much desired but they are not easy to manage and pose quite many challenges, therefore a shift of budget from Multi to Simple Programmes should be taken into account. Although, according to the legislation, a shift from Multi to Simple – and vice versa – is not possible, it should be allowed to transfer some funds from one year to another.

COGECA suggested to develop specific activities to support sectors in need, falling under the Own Commission's initiatives.

DG AGRI replied to SACAR that the Commission prefers to insert also for Multi Programmes in Third Countries the distinction by geographical area, because it gives an indication of which markets and areas are priorities for the Commission, and where it is preferable to carry out information and promotion actions. The Annual Work Programme is designed to identify priorities and put emphasis on those. Although discussion will continue with stakeholders, it looks like that it would be more appropriate to amend the Regulation itself.

DG AGRI continued that, as regards market disturbances, such funds are available in addition to the exceptional measures adopted on the basis of the single CMO Regulation.

They acknowledge the easier interactions with Chafea rather than Member States. The Promotion Policy will be evaluated and stakeholders will be consulted.

COPA thanked the Commission and Chafea for the high value of their work in relation to the Promotion Policy. The major current concerns are an improvement of Multi Programmes and more flexibility in the allocation of the budget.

SACAR highlighted that Multi Programmes in Third Countries cannot be accessed by the Fruits & Vegetables sectors, according to their description, which therefore are excluded.

DG AGRI commented that the Fruits & Vegetables sectors can access the Topic C, which includes campaigns addressing the EU quality schemes as well as generic promotion campaigns.

3. Own initiative campaigns by the Commission – SPS seminars, ongoing campaigns and activities 2020

DG AGRI presented the past, current and future campaigns managed by the Commission itself. The presentation is available on CIRCABC.

COGECA congratulated the Commissions for doing an excellent job, promoting agri-food products around the world. COGECA asked if the new Commissioner for Agriculture will continue such initiative as e.g. high-level missions. Promotion in SPS areas is very important.

FoodDrinkEurope stressed that the high-level missions from former Commissioner Hogan were highly impactful and relevant and wished that they continue under the new Commissioner for Agriculture.

DG AGRI replied that such messages will be conveyed to the new Commissioner Wojciechowski. Anyway, Hogan will probably continue to promote our EU products in his new role as Commissioner for Trade.

The Chairman stressed that, in order to be impactful, money are not enough but political willingness and skills are mandatory.

5. INFO session on the 2020 AWP for potential applicants

DG AGRI informed the audience on the organization of the Info Day 2020 (30 January 2020) in Brussels, where potential applicants will have the possibility to meet in view of submitting joint applications for funding (matchmaking event) and get more information on the Promotion Policy and next funding calls. DG AGRI wants to strengthen the link with EU organisations in order to promote more Multi Programmes.

<https://ec.europa.eu/chafea/agri/en/news/registrations-open-info-day-calls-proposals-2020>

6. Implementation of the EU promotion policy – Stakeholder presentations, followed by questions and discussion. Presentation by Christian Jochum for COPA-COGECA

COPA-COGECA presented their view on the Promotion Policy. The presentation is available on CIRCABC. Overall, the assessment was very positive while mentioning some possible improvements.

COPA stressed the need of a two-steps approach (pre-selection phase), in order to validate if: 1) the application is correct and the applicant is eligible; and 2) the European dimension is addressed. An analysis of the reason why some proposals were rejected may be useful.

FoodDrinkEurope appreciated the presentation and asked the Commission the future plans of the revision of the Promotion Policy Regulation.

DG AGRI appreciated the presentation considering it very useful. Internally they are already discussing on how to simplify the burden to applicants, together with other Agencies who manage funds.

4. Evaluation of the Promotion Policy: state-of-play

DG AGRI presented the current evaluation of the Promotion Policy. The general approach and the major methodology were explained. Interviews will be carried out with the most important players which will feed the final conclusions. At the beginning of 2020 an online consultation (EU Survey, in all EU languages) will be published with both open and closed questions. Before the end of December 2020 the Commission has the legal obligation to submit a report to the EU Parliament and Council.

FoodDrinkEurope asked the Commission the outcome of the Member States consultation through a specific questionnaire. In addition, FoodDrinkEurope (Starch Europe) wondered if any link with consumer trends will be made. Since the announcement of the EU plant protein plan in Vienna last year, EU policy for promoting plant protein products has proved more challenging than expected. We call on the Commission to take the opportunity of the impact assessment and forthcoming revision to envisage extending the list of eligible products to plant protein products. Including CN codes 2106 10 and 21 06 90 (“Food preparations not elsewhere specified”) in Annex I of Regulation 1144/2014 would cover plant-based food and drinks and respond to increasing customer demand and EU sustainability goals.

COGECA suggested to collect, analyse and utilise the project evaluation reports when assessing overall the Promotion Policy.

DG AGRI replied that, as regards the questionnaire targeting specifically Member States, 21 of them already replied and the final report will take into account such information.

DG AGRI continued by stating that the Promotion Policy is a living policy, therefore, although the legal basis will not change, DG AGRI will look at the reports, indicators and suggestions from stakeholders in order to include also other products as e.g. plant-based products. The first evaluation report is expected to be delivered by the consultants in March 2020.

AOB

FACE Network commented on the scarcity of the people attending the CDG, stressing that the Organisations were not taking seriously their commitment.

COPA and COGECA underlined their will to bring more experts to the Civil Dialogue Groups, and more rigidity would be needed in order to guarantee responsibility from everyone. COPA suggested to amend the list of stakeholders’ seats assigned to each CDG.

DG AGRI replied that the Units in charge of the CDG on Quality and Promotion do not decide on the allocation of seats. In addition, the Commission cannot put pressure on any stakeholders.

The Chairman concluded by suggesting to consider the possibility of having external observer attending the CDG without being reimbursed.

4. Conclusions/recommendations/opinions

5. Next steps

6. Next meeting

The next CDG meeting for 2020 are foreseen to take place on: 20th March, 3rd July, 5th November.

7. List of participants - Annex

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."

List of participants– Minutes

Civil Dialogue Group Quality and Promotion

Date: 6 December 2019

MEMBER ORGANISATION	NAME
Association des régions européennes des produits d'origine (AREPO)	2
Euro Coop - European Community of Consumer Co-operatives (EUROCOOP)	1
EuroCommerce	1
Euromontana (Euromontana)	1
European Coordination Via Campesina (ECVC)	0
European Council of Young farmers (CEJA)	2
European Environmental Bureau (EEB)	1
European Federation of Food, Agriculture and Tourism Trade Unions (EFFAT)	1
European Landowners' Organization asbl (ELO asbl)	1
European Liaison Committee for Agriculture and agri-food trade (CELCAA)	3
European Milk Board (EMB)	1
European Rural Poultry Association (ERPA)	0
European agri-cooperatives (COGECA)	5
European farmers (COPA)	4
Farmhouse and Artisan Cheese and dairy producers' European network (FACEnetwork)	1
FoodDrinkEurope (FoodDrinkEurope)	6
International Federation of Organic Agriculture Movements EU Regional Group (IFOAM EU Group)	3
Organisation pour un réseau international d'indications géographiques (oriGIn)	1

SACAR - Secrétariat des Associations du Commerce Agricole Réunies / Joint Secretariat of Agricultural Trade Associations	3
Slow Food (NA)	1
BEUC	0
EFOW	0
EFNCP	0
EPHA	0
FoEE	0
WWF	0
Total:36	