

ROADMAP			
TITLE OF THE INITIATIVE	<p>Proposal for a Council Decision on the signature of an Agreement between the European Union and Norway on recognition and protection of Geographical Indications of agricultural products and foodstuffs</p> <p>Proposal for a Council Decision on the conclusion of an Agreement between the European Union and Norway on recognition and protection of Geographical Indications of agricultural products and foodstuffs</p>		
LEAD DG – RESPONSIBLE UNIT	DG AGRI, A.4.	DATE OF ROADMAP	June 2015
<p>This indicative roadmap is provided for information purposes only and is subject to change. It does not prejudice the final decision of the Commission on whether this initiative will be pursued or on its final content and structure.</p>			

A. Context and problem definition
<p>(1) What is the political context of the initiative?</p> <p>The initiative derives from the willingness expressed by the Member States to ensure protection of the EU Geographical Indications (GIs) in Norway. To this end, the Council gave the Commission the mandate to negotiate an Agreement on GIs protection with Norway in June 2007.</p> <p>This initiative promotes the protection of GIs internationally, and more particularly in the EFTA countries.</p> <p>(2) How does it relate to past and possible future initiatives, and to other EU policies?</p> <p>EU relations with Norway</p> <p>The trade relations between the EU and Norway are governed by the EEA Agreement since 1994, with an exception of agriculture. Article 19 of the EEA Agreement provides the basis for the bilateral agricultural relations (OJ L 1 of 3.01.1994). The latest EU-Norway bilateral Agreement on further trade preferences in agricultural products entered into force in 2012. It includes a commitment by the Parties to promote trade in products with GIs without any time indication. Negotiations started in 2013.</p> <p>Whereas the wines and spirits GIs are covered under the EEA Agreement, Norway does not yet provide protection to EU foodstuffs GIs. Norway set up its GIs system in 2002 basing it to a large extent on the EU model. The start of the EU-Norway GIs negotiations prompted Norway to launch an update of its domestic legislation in order to take into account the modifications introduced by the latest EU Quality Regulation. At present there are 23 protected Norwegian products and 2 EU products (Prosciutto di Parma and Parmigiano Reggiano) registered.</p> <p>The initiative will constitute a new Agreement complementing the existing legislative framework and enhancing the trade relations between the EU and Norway.</p> <p>EU quality policy (part of Common Agricultural Policy, international dimension)</p> <p>The initiative is part of the overall effort of the EU to promote its high quality agri-food products all over the world, bilaterally and multilaterally.</p> <p>(3) What ex-post analysis of existing policy has been carried out? What results are relevant for this initiative?</p> <p>Relevant studies pertaining to quality policy :</p>

1. 2013: Study on assessing the added value of PDO/PGI products. Study financed by the European Commission, by Areté Research and Consulting in Economics.
2. 2013: Short Food Supply Chains and Local Food Systems in the EU. A State of Play of their Socio-Economic Characteristics (JRC- Seville)
3. October 2012: External study: "Value of production of agricultural products and foodstuffs, wines, aromatised wines and spirits protected by a geographical indication (GI)". Authors: Tanguy CHEVER, Christian RENAULT, Séverine RENAULT, Violaine ROMIEU (AND-International)

These independent studies showed the economic value of the EU GI policy for agricultural products and foodstuffs, wines and spirits. The worldwide sales value of EU GIs was estimated at €54.3 billion in 2010, at wholesale stage in the region of production, with a 12% increase between 2005 and 2010. This value corresponds to 5.7% of the total food and drink sector in the EU27. Total exports of GIs were estimated at €11.5 billion. This corresponds to 15% of total EU food and drinks exports. The total value premium of EU27 GIs was estimated at €9.8 billion (the value premium reflects the premium that a GI can expect from the market, compared to similar non-GI products).

The studies referred to above do not relate specifically to the EU-Norway GI regime but rather on the benefits of the EU GI policy as a whole. Granting mutual protection to GIs in Norway and the EU will provide farmers and rural areas stronger marketing tools when exporting to the other Party. It will notably allow increasing the market share or volume sold of the products at stake, obtaining a higher price (because competitors cannot free ride on the GI any longer) or at least maintaining the price (because competitors cannot start to free ride). In addition, the nature of the intellectual property right foreseen under this agreement will offer an extensive protection to holders of GIs.

In other terms, the foodstuff GI products (more than 1000 on EU side and 23 for Norway) will benefit not only from an economic added value internally but also in the partner country, thanks to the mutual protection. The agreement will offer mutual benefits to both EU and Norwegian producers.

The agreement will lead to the establishment of a list of EU and Norway GIs to be protected directly and indefinitely in each Party from the entry into force of the agreement (no need of individual applications). The agreement will *inter alia* allow co-existence of GIs with prior trademarks, lead to the phasing out of all prior uses of EU and Norwegian names, provide administrative protection, ensure a right of use (opposed to trade mark license system), and create a co-operation mechanism between Parties.

The EEA Agreement already covers wine and spirits GIs, which account for the majority of GIs in the EU (around 2/3). Against this background, the agreement on foodstuff GIs would not be entirely a new initiative - but in a sense an extension of the current mutual protection provided to wine and spirits GIs– there comes the necessity for a bilateral agreement to secure their GI protection.

The number of EU foodstuff GIs to be protected – more than 1000- against 20 for Norway will clearly bring EU side a higher economic benefit, contributing to reverse the detrimental effect of the tariff measures taken by Norway in 2013 against some EU agricultural products.

Norway, a close and rich neighbour of the EU, is among the ten top destinations for EU agricultural products. The agricultural trade between both parties is expanding, facilitated by the increased bilateral concessions. This trend will also benefit foodstuffs enjoying IG protection on both sides.

What are the main problems which this initiative will address?

Thanks to this initiative, over 1000 EU names of foodstuffs will be protected against misuse and counterfeiting in Norway and reciprocally, the 23 Norwegian names will be protected in the EU. The Agreement foresees a regular update of the list of names to be protected, to ensure as well the reciprocal protection of new GIs.
Who will be affected by it?
EU and Norwegian producers and processors of agricultural products, traders and consumers.
Is EU action justified on grounds of subsidiarity? Why can Member States not achieve the objectives of the proposed action sufficiently by themselves? Can the EU achieve the objectives better?
The trade policy is of exclusive EU competence. The effects of the agreement will be transposed in all MS.

B. Objectives of the initiative
What are the main policy objectives?
To provide a high level of direct protection over 1000 EU foodstuffs GI names in Norway and 23 Norwegian foodstuffs GIs names in the EU. The protection consists in protecting names against any direct or indirect commercial use, any misuse, imitation or evocation of the product, any other false or misleading indication as to the provenance, origin, nature or essential qualities of the product or any other practice liable to mislead the consumer as to the true origin of the product.
Do the objectives imply developing EU policy in new areas?
No.

C. Options
(1) What are the policy options (including exemptions/adapted regimes e.g. for SMEs) being considered? Not relevant as the Commission is negotiating this agreement under a mandate of the Council dating from 2007, and the enhancing of the protection of GIs is foreseen in the bilateral EU-Norway agricultural trade agreement; the Commission could not envisage other option.
(2) What legislative or 'soft law' instruments could be considered? Not applicable How do the options respect the proportionality principle? EU competence: trade policy.

D. Initial assessment of impacts
What are the benefits and costs of each of the policy options?
Not relevant. (see A3)
Could any or all of the options have significant impacts on (i) simplification, (ii) administrative burden and (iii) on relations with other countries, (iv) implementation arrangements? And (v) could any be difficult to transpose for certain Member States?
Not relevant.
(1) Will an IA be carried out for this initiative and/or possible follow-up initiatives? No IA will be carried out for the initiative as there are no alternative policy options at this stage. The negotiation mandate of the Council to the Commission to conclude an agreement on the mutual recognition and protection of GIs dates from 2007. The negotiations started in 2013 and are currently on-going with a likely conclusion this year.
(2) When will the IA work start?

(3) When will you set up the IA Steering Group and how often will it meet? (4) What DGs will be invited?
(1) Is any option likely to have impacts on the EU budget above €5m? (2) If so, will this IA serve also as an ex-ante evaluation, as required by the Financial Regulation? If not, provide information about the timing of the ex-ante evaluation.
No impact on the EU budget is foreseen.

E. Evidence base, planning of further work and consultation
(1) What information and data are already available? Will existing IA and evaluation work be used? See point A3.
(2) What further information needs to be gathered, how will this be done (e.g. internally or by an external contractor), and by when? No need for further information. The Council gave the Commission the mandate to negotiate an Agreement on GIs protection with Norway in June 2007, extending to foodstuffs the protection already granted to wines and spirits. Consultations took place between both Parties to identify the respective legislative framework on GI policy and products concerned. Under the potential GI Agreement, a continuous evaluation of the implementation of the Agreement is foreseen, notably to update the lists of GIs.
(3) What is the timing for the procurement process & the contract for any external contracts that you are planning (e.g. for analytical studies, information gathering, etc.)? Not applicable.
(4) Is any particular communication or information activity foreseen? If so, what, and by when? The Council EFTA Working Party is regularly informed by the Commission about the progress of the negotiations.
Which stakeholders & experts have been or will be consulted, how, and at what stage?
Not applicable.