

MINUTES OF THE MEETING OF THE ADVISORY GROUP ON QUALITY OF AGRICULTURE PRODUCTION HELD ON 11 MAY 2010

1. Approval of the Agenda and the minutes of the meeting held on 10 March 2010

The agenda and the minutes of the last meeting were approved. EUCOLAIT asked for the Agreement on Geographical Indications (GIs) between EU and Switzerland to be added to the agenda. The point was discussed under AOB.

Under a separate item, the Commission gave a presentation on the public consultation on the CAP post-2013. The debate is structured around four fairly general questions on the CAP. Legislative proposals will follow in mid-2011, after the Commission Communication to be adopted in the 4th quarter of 2010 which will timely coincide with the adoption of the “quality package”.

In the discussion that followed, BEUC asked whether climate change was sufficiently taken into account in the shaping of the future CAP. EUCOLAIT enquired about the structure of the consultation procedure in view of the strict framework of the work questions whilst all the stakeholders also submit position papers to the Commission. The question of the link between CAP and quality policy was also raised. In response, Commission explained that with the public debate the Commissioner wishes to reach out to all interested parties, in particular individual citizens. As regards quality policy, Commission aims to ensure synergy between CAP and quality policy, the latter being always somewhat apart from the CAP, even though there are overlaps. For farmers, quality policy has of course a broader meaning than at EU level and includes also measures relating to promotion, rural development, or even the whole CAP. In this Advisory Group however, quality aspects are understood in a narrower sense. The consultation on CAP goes much deeper and raises fundamental questions, the Commission concluded.

2. Marketing standards, future standardization and place of farming labelling

In his opening remarks, the Chairman reminded that these were the topics addressed in Part 1 of the Commission’s Quality Communication but no working documents are available yet. He wondered whether the structure of marketing standards would be to follow the Codex format. Concerning place-of-farming labelling (part of the Quality Communication) he reminds that this item is also discussed in the context of the Consumer Information Regulation. Here a clear statement of the Commission in line with its Quality Communication is needed.

The Commission said it will review all marketing standards with a view to simplification and scrutinize the situation for future vertical marketing standards sector by sector. This will also imply a review of the single CMO. With regard to place of farming, the Commission stated that the discussions are currently held elsewhere. In the original food information proposal, the indication of origin or provenance should remain voluntary but the Parliament changed this with the vote in the ENVI committee in March. Now Commission awaits the outcome of the vote in plenary in June. Should the current position of the EP be maintained, the Commission will respond in coherence with the original proposal taking into account both agricultural and consumer issues. The High Level Experts Group on milk is also working on origin

labelling and the outcome of the discussions has to be taken into account. Accordingly, at the end of the year legislative proposals will be presented.

Discussion on marketing standards: COPA-COGECA asked whether simplification would mean simplification of the regulatory framework or of the contents and pronounced itself against simplification of the contents in terms of dismantling. There are huge differences among the various agricultural products so that harmonised rules will not work in practice. Also the single CMO has not brought any added value. EDA is satisfied with the existing marketing standards for dairy but said it would appreciate the development of further standards taking into account existing Codex standards.

The Chairman raised again the question of compliance with the Codex Alimentarius and asked whether there would be one annex in reg. 1234/2007 (single CMO) for the marketing standards of all products completed by additional rules on a sectoral basis. The Commission explained that this could be one possible option. Direct references to the Codex might also be possible where no EU standards exist. A more detailed presentation on marketing standards will be given at the next meeting.

Discussion on place of farming: COPA-COGECA enquired about the signification of the term, in particular with regard to customs rules on origin. EUCOLAIT insisted on the difference of the impact of origin/place of farming labelling for processed (Non-Annex I) and unprocessed products and wondered about the meaning of the term “single-ingredient products” used in the EP amendment. EUCOLAIT also asked to what extent the outcome of the food information proposal will be taken into account by DG AGRI. Will the latter be able to make proposals for each sector regardless of the results of the EP vote in June?

According to the Commission, cheeses would be covered by the labelling obligation for “single ingredient products”. Anyhow, there are contradictions in the EP amendments which require some technical work and clarifications. Regarding the outcome, the Commission noted that if the EP sticks to its position this has of course to be taken into account but derogatory rules for each sector are still possible. In general, the Commission feels that consumers are interested in knowing the place of farming, even if processing is applied. Place of farming would imply other things such as environmental standards, length of transport etc. Nevertheless, the Commission acknowledged that such a requirement for products used as ingredients could cause severe difficulties in the dairy sector where a lot of (cross-border) trading takes place.

COPA-COGECA reiterated the necessity of coordination between the food information proposal and quality policy. One representative spoke in favour of place of farming labelling and stated that consumers expect more than just food safety which should be uniform in the EU. Another COPA-COGECA spokesperson countered by saying that there are limits as to what consumers are interested in and can digest. Who can really decide what information is important to consumers? Less bureaucracy was also requested.

EDA pointed out the need for a sectoral approach and a thorough impact assessment analysing the consequences of mandatory place of farming labelling which is a barrier to the free movement of goods. Its usefulness was also questioned as it has no link to safety, quality or sustainability. It is only about protecting national interests. EUCOLAIT agreed with EDA’s intervention and added that current rules set no obstacles to the labelling of origin if operators wish to do so. There is no need for further regulation

in this regard, the present voluntary regime functions very well. Calls for mandatory place of farming labelling are due to food nationalism.

FRESHFEL confirmed that there is absolutely no link between quality and origin. UECBV referred to the complexity of mandatory origin labelling requirements for beef and requested to have a more pragmatic approach, which should be done by DG AGRI.

The Commission reiterated that consumers feel confident when they know where a product comes from but of course such indications are not practicable for all products. Careful consideration is necessary as when the information goes too much into detail you miss the target as it may contribute to consumers' confusion. Concerning beef labelling Commission noted that the beef sector should also look at the fact that the EU is BSE free and that we regained consumer trust and a stable context for the sector, which should be seen as an advantage. They noted that a close cooperation is done between DG SANCO and DG AGRI based on a common approach. DG AGRI works on vertical issues while DG SANCO looks into horizontal issues. The food information proposal is still in an intermediary phase. The rapporteur, Mrs. Sommer has the intention to revise the text in favour of a more voluntary approach.

In conclusion, the Chairman noted that a lot remains unclear as far as marketing standards are concerned. Concrete proposals are awaited. With regard to place of farming, the participants expressed concerns about the discussion taking place on multiple levels. Fears with respect to the impact on free intra-EU trade and the true information needs of consumers were also mentioned. Reflexion should be given on the sufficiency of the current rule laid down in EU-Directive 2000/13 ensuring that consumers are not misled as to the origin of a product. He highlighted the need on a sector by sector basis and requested the Commission to make an impact assessment on place of farming labelling. The Commission should take the conclusions of the group into consideration, the Chairman concluded.

3. Guidelines for certification schemes

The Commission presented a second revised draft based on further stakeholder comments. The part on classification of schemes has been amended, in particular as regards the distinction between B2B and B2C schemes. Certain too prescriptive requirements have also been taken out. Incentives for compliance have not been considered so far. The Commission noted that comments are still welcome (preferably before end of May), the most constructive manner being to submit tracked changes.

The Chairman wondered about the function of the reference documents (point 1.3.) and whether the latter would not be de facto compulsory. He also questioned the implementation of examples of other policy areas in point 8. The Commission explained that the list in point 1.3 merely contains useful references and is neither mandatory nor exhaustive.

COPA-COGECA noted their general approval of the revised text. However, it should be seen how this could be implemented in practice. It was noted that independence of certification bodies from the certification scheme has to be ensured not only financially and organisationally, but also in terms of sanctions. If sanctions are left to the certification bodies, they could be facing a conflict of interest since sanctions could mean loss of business. It should also be looked into how controls are certified in order to provide adequate guarantees to the consumer.

The complexity of environmental labelling was once again raised. COPA-COGECA requested a European framework for environmental labelling. FRESHFEL requested to await guidelines established by the food chain operators and highlighted the need to avoid multiple controls. CELCAA referred to the work carried out by DG Research on Live Cycle Analysis <http://lct.jrc.ec.europa.eu/publications> and the work done in the Food Sustainable Consumption and Production Round table <http://www.food-scp.eu/>.

One delegation suggested that the point 8 (guidelines per policy area) would be outside the scope of the guidelines and should be addressed in a separate statement. Commission replied that point 8 is not really part of the document but useful as a “vehicle” to apply the guidelines to specific policy areas. This is not a final list either.

There was also discussion on to what extent certification schemes can relate to food safety. COPA-COGECA and CELCAA noted that regulatory food safety standards in the EU are already very high and questioned appropriateness of private standards being allowed to set more stringent requirements and call these products “safer”. According to Commission, if statements on hygiene are made, this has to be done in an extremely careful manner, be handled correctly and sensitively avoiding to give misleading information.

Finally, it was clarified that the Commission will not manage or establish a register of certification schemes which are complying with the guidelines; this is left to the initiative of stakeholders. The guidelines constitute a voluntary document compliance with which will not be monitored by the Commission. Stakeholders were kindly requested to provide data on market share of certification schemes and examples of cooperation between official controls (Reg. 882/2004) and private certification schemes.

4. Geographical indications (impact assessment, guidelines)

Commission gives a presentation on GIs as ingredients. The issue was already addressed in the Green Paper which asked whether there had been problems in this regard. The conclusion in the Communication on quality was that guidelines should be developed. The drafting process has just begun; the document is to be adopted by the end of 2010. Contributions should be sent by end of June.

The Chairman referred to the problematic relation between article 13 of Reg. 510/2006 and the labelling directive 2000/13 and doubted whether guidelines would be sufficient in this respect. This was echoed by COPA-COGECA who also pleaded for legal certainty. ORIGIN stated that a lot of abuse is taking place which could not be fought with guidelines. It stressed that the Commission should be looking at this from an intellectual property right point of view and asked for guidelines to take into account national legislations that provide for some rules on this issue. Commission considers guidelines be more efficient as they offer more flexibility.

EDA stressed that the use of GIS as ingredients is free and should remain so. Consideration has to be given to the name but that is sufficient. This statement was supported by EUCOLAIT who pointed out that the present labelling rules being sufficient.

EUCOLAIT referred further to the amendments of the specification for Parmigiano Reggiano published in the OJ on 16 April 2009. EUCOLAIT questioned if the limitation imposed on processing and packaging is in conformity with the directive on services, in particular, with the right of free establishment of a commercial activity. EUCOLAIT agrees with the need of controls but requested to apply a level playing field for operators.

ORIGIN reiterated that need for prevention and therefore legislation. The consortium should decide where and how the name can be used. Commission explained that GIs are not TMs, the key difference being that the name is the property of everybody who has a legitimate interest.

Commission presented a working document on future policy options as regards GIs. The majority of participants spoke in favour of the status quo option and in particular against the fusion of PGIs and PDOs as the latter option would lead to the loss of the added value of PDOs. The option involving national systems also faced widespread criticism. OriGIn expressed regrets that some important issues for the future of the EU quality policy were not covered by the impact assessment, notably the management of the production, the role of the organizations in charge of the GI and the impact of the different bilateral agreements negotiated by the EU on the protection of European GIs. Commission replied that the position of stakeholders is already known. The motivation behind the fusion of PDO/PGI is to increase visibility. As regards the fusion of the four systems, the idea is due to difficulties of third countries to understand the mechanism which leads to problems when negotiating trade agreements. Nevertheless, the observations made are of course taken into account.

4. Traditional Specialities (impact assessment)

Commission briefly presented the working document outlining different options for TSG. Option 1 (“traditional” as reserved term) would consist in replacing the cumbersome system by a simple labelling tool. Option 2 (regulation at national level) should be considered as MS may be better placed for operating such scheme. However, this would be contrary to the spirit of the single market. Option 3 (allow only registration with reservation of the name) consists in a simplification of the scheme. Previous consultations have shown that registration with reservation of the name is the preferred option.

There was a question regarding the link to WIPO. The Commission explained that TSG are no IPR.

5. Products of mountain farming

COM presented a working document with two policy options: no EU action or introduction of a reserved term “product of mountain farming”. There are several problems that need to be addressed. What would be viable definition? Should all stages of production or only one step be covered? How can the differences between products be addressed? This exercise is to be seen in a broader context as other areas might also be interested in such a scheme (e.g. island products).

EUROMONTANA pointed out the positive impact option 2 would bring along. There is a lot of potential in terms of marketing as people have a positive image of mountain products. COPA-COGECA noted that the protection against fraud also applies to mountain products but that option 2 would nevertheless bring added value.

6. AOB

Commission gave an update on the agreement between the EU and Switzerland regarding the protection and mutual recognition of GIs. The public consultation ended in March. Numerous comments were received (notably concerning Gruyere). Negotiations will be finished this summer. The document will then be examined by the Parliament and the Council in autumn. A new presentation will be given when more elements can be disclosed.

The next meeting will be held on September 21, 2010 (morning).

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