

Final Minutes of the meeting of the Advisory Group « Quality of production in agriculture » (16-12-2011)

The meeting was chaired by Dr BENVENUTI.

1. Approval of the agenda and the minutes of the last meeting held on 10/06/2011

The agenda and the draft minutes were approved without further comments.

2. Update on latest trialogue discussions on the "EU Quality Package":

a. Proposal for a Regulation modifying Reg. 1234/2007 as regards marketing standards:

The Commission (COM) informed the participants of latest trialogue discussions (i.e: discussions between the Commission, the European Parliament and the Council).

Several issues would still be debated:

- COM proposal for establishing a "general marketing standard" is challenged by a vast a majority of Member States (MS)
- several MS would oppose COM proposal to extend COM powers for developing new marketing standards in all sectors. Discussion is also being held as to whether "new" marketing standards should be adopted via delegated or via implementing acts.
- the Council and European Parliament (EP) would favour keeping existing "sectoral facultative terms" under the "single CMO Regulation " (instead of transferring them to the "proposal for a Regulation on EU quality schemes, as initially proposed by the COM).
- discussions are also being held as to whether new rules concerning Oenological practices in the wine sector should be defined by means of implementing acts (Council position), delegated acts (position from the COM) or be defined in the "basic legal act" (COMAGRI position – July 2011)
- MS are questioning the fact that the provisions related to origin labelling/place of farming may be adopted by means of delegated acts. These provisions would also trigger concerns amongst MS due to overlaps with provisions on origin labelling included within the newly adopted "horizontal "Regulation on food information to consumers.

Several participants asked about the "next steps" as to implementing rules relating to the indication of origin/place of farming, as provided for in the Reg. on food information to consumers.

Copa-Cogeca insisted on the need to keep a "legal basis" within the proposal for a Reg. on EU quality schemes so as to enable the creation of new "horizontal" optional quality terms.

For the **COM**, the provisions included the Reg. on food information and the proposals included within the "EU quality package" concerning labelling of origin would be perfectly "compatible". As to the reference to "country of origin"/"place of provenance" (within the Reg. on food info. to consumers) DG AGRI underlined that the concept of "place of provenance" (as provided for within the Reg. on food info to consumers) should be understood as the "place of farming".

b. Proposal for a Regulation on agricultural product quality schemes:

COM informed the participants of the main proposal for changes being discussed in the context of latest "trialogue"

- The EP would like to make the use of the EU GIs logo compulsory, whereas COM would favour “limiting” the compulsory indication either to the logo or to the abbreviation.
- COUNCIL and COM challenged COMAGRI proposal for changing the “articulation of rules” for registration of trademarks and GIs(i.e: for COMAGRI, the registration of trademarks should be “blocked” from the moment an application for a GI was made in one Ms of the Union).
- Council and COM are opposed to COMAGRI proposal to repeal the possibility for GIs coming from third country and registered via bilateral agreement to “get access” to the EU logo.
- A majority of MS still reject COMAGRI proposal to introduce measures for the management of volume of production for products covered by a GI.
- COMGARI proposal to indicate the origin of the raw material for PGIs which was opposed by COM and Council would have been repealed.
- COM proposal on TSG is rejected by several MS: in particular, discussions are being held on how the mechanism to ensure the transfer of products registered “without reservation of the name” to the “reserved terms category” should operate. EP and Council also disagree with COM proposal to restrict the system to products of 50 years age. Discussions are also being held as to whether the “cahier des charges” should include the reference to the ingredient, as well as the recipe and the method of production (or if only one of this information would be enough).
- COMAGRI and Council opposed the inclusion of “sectoral facultative terms” (see above) in the Regulation on EU quality schemes (see annex II of the text), in particular due to the fact that the text would also open the possibility to delete existing quality terms via delegated act. Both EP and Council would agree with the principle of creating new “horizontal” optional quality but for EP this could only be possible via the modification of the “basic legislative act”.
- EP and Council agree with having the optional term “product of mountain farming” inserted into the Regulation.
- COM is reserved with regard the principle of “creating a separate legislative framework” for “product from my farm” scheme (COMAGRI proposal from June 2011) as this would undermine the overall coherence of the system of optional quality terms (i.e: it would then be made more difficult to create a scheme or optional term “product from my farm” than to create any other optional quality terms).

AREPO regretted the “lack of consensus” between the 3 institutions and insisted on the need to ensure that existing definitions for GIs are maintained.

One representative from CELCAA and **one representative from the EU dairy industry** underlined the risks that a “simplified procedure for transfer TSGs registered without reservation of the name” may pose in practice. Although **CELCAA** would support the principle of introducing an optional quality term for “products of mountain farming”, they underlined the fact that eligibility criteria for definition of “mountainous areas” would be too strict.

Origin expressed its satisfaction as to the outcome of the discussions on the “Milk Package” concerning the issue of management of production for milk products. Origin would expect that amendments agreed within the milk package would “impact” on discussions that are being held on this issue of management of production for PDO/PGIs in the context of the “EU quality package” legislative proposals.

Copa-Cogeca representatives warned against the exclusion of the “packaging step” from the “area of production” for the definition of PDOs. Copa-Cogeca is also opposed to the possibility for products coming from third counties (and registered via bilateral agreement) to get access to the EU logo. Copa-Cogeca is in favour of the indication of origin of raw material for PGIs (whenever this information is not provided for in the specification/cahier des charges of the product) and would support the introduction of specific measures to manage the quantities of production for GIs as well as the introduction of the optional quality term “products of mountain farming”.

In response to stakeholders comments, **COM** indicated that eligibility criteria for the definition of “mountainous areas” was based on criteria stemming from Rural Development legislation. COM clarified the fact that the procedure for transferring TSG products registered without reservation of the name may be activated by any EU MS, and not necessarily by the MS where the product comes from originally.

COM stressed the fact that provisions agreed within the “Milk Package” on the management of production are only applicable from the moment sufficient “representativity” of producers/production can be reached. Therefore, “copy past” of these principles in proposal in the context quality package could hardly be envisaged from the COM point of view.

COM made clear that in principle packaging should not be included in the geographical area that is considered in order to define PDOs. The main discussion should rather focus on whether this should be explicitly mentioned in the text or not.

COM also stressed the fact that preventing products from third country to benefit from the EU logo would breach the TBTC rules.

3. Information on the main conclusions of the Working Group "product from my farm" (of the Advisory Group on quality of production in agriculture") held 10 November 2011.

COM informed the participants of the main conclusions of the meeting: participants agreed on the need to develop a common definition and eligibility criteria if such an EU scheme should be created. In order to give sufficient credibility to the system, appropriate traceability and controls should be in place. However, opinions were divided as to whether an EU logo and accreditation system should be created. The Participants agreed on the fact that the system should be “simple enough”, otherwise this would reduce its interest for farmers, since this would create disproportionate burden for them.

COM informed the participants that the next meeting should take place on 27 January.

Copa-Cogeca insisted on the need to ensure a clear distinction between “short supply chains” and “direct sales”. Copa-Cogeca also expressed some reservations as to the creation of an EU logo since this would imply the setting of a “third party certification system” which in many cases would be seen as too burdensome for farmers. Finally, Copa-Cogeca underlined the importance of ensuring a link between discussions on an EU scheme for “product from my farm” and measures proposed under Rural Development Policy.

CELCAA representative underlined the need to ensure that EU quality standards, sanitary legislation as well relevant national administrative and tax rules also effectively apply to farmers who are engaged in such kind of initiatives.

4. Implementation of the EU best practice guidelines for voluntary certification schemes for agricultural products and foodstuffs.

COM briefly introduced the subject: the text would have been “well welcomed” overall.

Several Copa-Cogeca representatives underlined the fact that the very existence of these guidelines would remain “insufficiently known” by private operators at MS level and. For Copa-Cogeca, these guidelines would “gain added value” if incentives for operators to use them were proposed (eg: via Rural Development funds) and if national authorities had the “tools” to control compliance with it.

CELCAA representative proposed to “further communicate” on these guidelines at EU level, like via EU official platforms of discussion such as the “High Level Forum on the Competitiveness of the Food Chain”. The proposal was agreed by other participants.

5. Presentation of the conclusions on the European Court of Auditors' (EGA) performance audit assessment on the management of the GI system.

COM briefly presented the main recommendations proposed in the report.

1. In particular, the report recommends the Commission to set out minimum requirements concerning “checks on product specifications” and to lay down clear rules for regular checks to detect and suppress disallowed practices.

2. The report also suggests that the Commission develops a strategy for raising awareness of the GI scheme and for exploring more effective means of promoting the GI scheme.

In response to the 1st recommendation, **COM** replied that Reg. 882/2004 on official controls would already provide sufficient level of details and that the specific modalities regarding these controls are left to MS pursuant to the principle of subsidiarity.

As to the 2nd recommendation, **COM** indicated that relevant measures already exist at EU level in order to promote GIs (e.g: under Rural Development legislation – see art. 32, 33, EC website dedicated to quality, obligation to indicate on the labelling the EU logo or the indications "Protected Designation of Origin"/"Protected Geographical Indication"). **COM** will consider as part of the ongoing reflexion on the reform of the promotion regime for agricultural products (cfr. Green Paper on promotion measures and information provision for agricultural products), appropriate ways to further enhance the promotion of the PDO/PGI quality schemes.

6. EC Legislative proposals on the future of the CAP post-2013: focus on provisions related to EU Quality Policy (e.g: Proposal for a Regulation on support for Rural Development)

COM representative provided the participants with a short overview of measures included in the proposal for a Reg. on support for Rural Development targeting at initiatives in the area of quality.

- Annually, a maximum of 3000 Euros may awarded per farm holding to encourage farmers' participation (for the first 5 years) into: EU quality schemes, quality schemes recognized by MS or voluntary agricultural product certification schemes recognised by the MS as meeting the Union best practice guidelines.

Several participants from Copa-Cogeca expressed some doubts as to the usefulness of limiting the access to Rural Development funds for farmers “newly” adhering a quality scheme. Several other Copa-Cogeca participants also underlined the important role played by cooperatives so as to support the development of relevant initiatives in the area of quality.

AREPO regretted that the new text did not open up “enough possibilities” for encouraging initiatives in the area of quality: in particular AREPO suggested to include new measures targeting at producers groups engaged in quality programmes. AREPO also expressed some strong concerns as to the repealing of the measure 133 under promotion policy.

In response to the various remarks from participants, **COM** underlined the fact that the new text would open up a wider range of possibilities to encourage demarches in favour of quality (eg: promotion of short supply chains), the duration of programmes and corresponding amounts

proposed would remain relatively low though. COM underlined that the criteria of selection for the allocation of funds would remain “under the responsibility” of MS.

7. Follow up on the “EU proposal for a Regulation on food information to consumers” (information on implementing rules for provisions regarding the compulsory indication of origin and links with provision contained within the proposal for a Regulation on marketing standards).

COM briefly introduced the main provisions of the “newly adopted” text which concern the issue of origin labelling. With regard implementing rules and the preparation of future reports, DG AGRI would be appointed as “chef de file” in order to “conduct the works” on all products included within Annex I of the Treaty (i.e: for poultry, pig meat, sheep and goat, as well as milk and milk products). It was asked what should be procedure to be used (i.e: co decision procedure or via delegated act...) for the definition of new compulsory rules for the indication of origin of types of meat other than poultry, pig meat, lamb and goat (see art. 26 § 5 and 6 of the text)

Several participants asked for some clarifications as the cases where compulsory indication of the origin of the primary ingredient would be necessary (art. 26 § 3 of the text).

Participants from Copa-Cogeca highlighted several “inconsistencies” between the provisions of the Regulation and the “EU Quality Package” legislative proposals: in particular, in the light of art. 26 2 a. of the Reg. on food info to consumers, Copa-Cogeca is of the view that the obligation to refer to the origin of the raw material for PGI, when differing from the one indicated on the specification/ cahier des charges would be required.

One representative from CELCAA referred to the recent WTO dispute between Canada and USA on the compulsory labelling of origin for meat (The panel concluded US measures are not in compliance with WTO rules) and asked whether this may call into question the validity of the newly adopted EU legislation.

9. Update on the WIPO ongoing Reform of the Lisbon System

Origin regretted the fact that the EU was not able to speak with one voice. COM argued that the EU “merger of manoeuvre” would remain quite limited due to the fact as they are only observers in this process.

10. AOB

Several participants made a series of proposals for new topics to be discussed at the occasion of upcoming meetings.

The Chair proposed to have a “more regular” discussions on the issue of private quality schemes.

CELCAA representative proposed to develop a “strategy paper” which would identify a series of priorities for the group for the upcoming months.

8. Recent European Commission activities related to "sustainability of the food chain":

a. Information on EC Communication titled "Roadmap to a Resource Efficient Europe" (29 September 2011) and next steps

COM provided the participants with a short overview of the main orientations proposed in the communication concerning food chain activities: in particular, the text foresees that by 2020 incentives to healthier and more sustainable food production will be widespread and that a 20% reduction in the food chain's resources input can be achieved.

In order to meet this objective, COM shall further assess how to best limit waste throughout the food supply chain, consider ways to lower the environmental impact of food production and consumption patterns, and is committed to tackle the problem of consumption of animal protein in Europe. For that purpose, a Communication on sustainable food is to be published by 2013.

Several participants criticized the fact that this communication would stigmatising specific sector/categories of products, by underlining the need for reducing the consumption of animal protein. A few participants considered that it would have been appropriate if the European Commission had opted for a more "holistic" approach.

b. Outcome of the study exploring the feasibility of establishing EU Ecolabel criteria for food and feed (implementation of article 6.5 of Regulation n 66/2010)

COM representative made a short summary of the conclusions of the study: although this study acknowledges the fact that developing an EU Ecolabel for food and feed products is conceivable in principle, "significant obstacles" would need to be overcome first: in particular when it comes to the definition of a "common" methodology, and the fact that this scheme may create some risks of confusion with the existing EU scheme for "organic products".

The study also highlights the fact that the scheme would be complex and costly to implement. Such a scheme would be relevant for highly processed products.

A specific part of the study was dedicated "stakeholders comments": overall, stakeholders are quite divided on the subject, half of them being in favour such a new system (eg: several processors companies, retailers)/relevant EU "umbrella" organisations such as Copa-Cogeca and Food&Drinks Europe opposed it.

COM representative concluded his intervention by indicating that discussions are now to take place at the EU Ecolabel board, before is taken by the European Commission by March 2012.

Several participants underlined the risk of confusion that such a system may create with respect to other existing scheme. Some doubts were also raised as to whether products covered by the Ecolabel would meet sufficient demand from consumers.

Problems as to the methodology used and risks of stigmatising certain types of products were raised.

One representative underlined the importance of promoting the use of good practices, instead of focusing too much attention on meeting some specific targets.

The Chair thanked the participants and closed the meeting.

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