

ROADMAP

TITLE OF THE INITIATIVE	<p>Proposal for a Council Decision on the signature of an Agreement between the European Union and the Kingdom of Morocco on recognition and protection of Geographical Indications of agricultural products, processed agricultural products, fish and fishery products.</p> <p>Proposal for a Council Decision on the conclusion of an Agreement between the European Union and the Kingdom of Morocco on recognition and protection of Geographical Indications of agricultural products processed agricultural products, fish and fishery products</p>		
LEAD DG – RESPONSIBLE UNIT	DG AGRI A4	DATE OF ROADMAP	June 2015
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.			

A. Context and problem definition

(1) What is the political context of the initiative?

The initiative derives from the willingness expressed by the Member States to ensure protection of the EU Geographical Indications (GIs) in Morocco. To this end, the Council gave the Commission the mandate to negotiate an Agreement on GIs protection with Morocco in October 2005, along with further trade liberalisation for (processed) agriculture and fishery products, in the overall context of reinforcing EU trade relations with Morocco.

This initiative shows the converging views of the European Union and Morocco on matters related to quality policy, consumer protection and intellectual property.

In addition, this initiative promotes the protection of GIs internationally, and more particularly in the Southern Mediterranean countries.

(2) How does it relate to past and possible future initiatives, and to other EU policies?

EU relations with Morocco

The trade relations between the EU and Morocco are governed by an Association Agreement which entered into force 1st March 2000. Following the mandate received in 2005, further trade concessions were negotiated first, resulting in the EU-Morocco Agreement on agricultural, processed agricultural products, fish and fisheries products, which entered into force 1st October 2012. Article 8 of Protocol 2 and Article 9 of Protocol 1 of this agreement foresee the opening of negotiations for an agreement on GIs in the three months following the entry into force of the agreement. Negotiations on GIs were then opened in December 2012.

The initiative will modify the existing EU-Morocco Agricultural Agreement under the form of an Exchange of Letters. The GIs Agreement will be in Annex.

Bilateral negotiations are on-going with Morocco for a Deep and Comprehensive Free Trade Agreement (DCFTA) that will deepen the Association Agreement. Agriculture is not included in the DCFTA so far but the agricultural protocol and the agreement on GIs will be inserted later on in it.

EU quality policy (part of Common Agricultural Policy, international dimension)

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.

What ex-post analysis of existing policy has been carried out? What results are relevant for this initiative?

Relevant studies pertaining to quality policy :

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 €29.8 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 protection of names in a particular country, but rather to the benefits of the EU GI policy as a whole. Granting protection to GIs both in Morocco 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, which will benefit from an economic added value internally and in the partner country.

The value of trade of agricultural and processed agricultural products to and from Morocco has been on the increase since 2012. Such a trend is supposed to have a positive impact on products benefiting from IG protection on both sides.

What are the main problems which this initiative will address?

Thanks to this initiative, around 3200 EU names will be protected against misuse and counterfeiting in Morocco and reciprocally, the existing 30 Moroccan names will be protected into 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 Moroccan producers 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 commercial 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 to around 3200 EU GI names in Morocco and 30 Moroccan

GIs 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 has negotiated this agreement under a mandate of the Council dating from 2005, and the opening of these negotiations is foreseen in the text of the EU- Morocco agricultural agreement resulting from the same mandate; the Commission could not envisage other option.
(2) What legislative or 'soft law' instruments could be considered? Not applicable.
(3) How do the options respect the proportionality principle? EU competence : commercial policy

D. Initial assessment of impacts
What are the benefits and costs of each of the policy options? Not relevant, in view of the explanations provided in Section A above.
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 further trade liberalisation and on the mutual recognition and protection of GIs dates from 2005. The negotiation was carried out in two steps: first the trade concessions (resulting in the EU-Morocco Agreement on agriculture of 2012) and afterwards the negotiations on GIs, on which a provision was also foreseen in the agricultural EU- Morocco agreement of 2012. An agreement was reached between the negotiators in December 2014 and the text of the agreement was initialled on 16th January 2015.
(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? All relevant DGs have been constantly involved along the process.
(1) Is any option likely to have impacts on the EU budget above €5m? No impact on the EU budget is foreseen.
(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.

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?

As explained in section A above, the agreement results from the Council mandate. In addition, a continuous evaluation of the implementation of the Agreement is foreseen via the Joint Committee foreseen thereof, notably to update the lists of GIs. .

(2) What further information needs to be gathered, how will this be done (e.g. internally or by an external contractor), and by when?

There is no need to gather further information because the mandate from the Council of 2005 specifies that the protection of GIs should form an integral part of the negotiation process with Med countries. The agreement is the result of such mandate, in line with the EU's objective of widening the territorial scope of protection of recognised 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?

- Information note and draft agreement sent to Member states in the ad hoc Council working groups and to the relevant Committees of the European Parliament (January 2015). Follow-up information will be given along the various stages of the adoption procedure.
- Joint Press release on conclusion of the negotiations and initialling of the agreement on 16 January 2015.
- The Commission services participated in a seminar in Morocco organised in agreement with the Moroccan authorities (Ministry for agriculture and Ministry for industry) to explain the negotiation process and the added value of GI products in October 2012.

Which stakeholders & experts have been or will be consulted, how, and at what stage?

Not applicable.