

Quality schemes for agricultural products and foodstuffs

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In accordance with the requirements of Regulation (EU) No 1151/2012 on quality schemes for agricultural products and foodstuffs, the Commission presents a report on the case for an optional quality term 'product of island farming'. The report examines the socio-economics and specificities of island farming, reviews existing labelling schemes and reflects on the merits of establishing an optional quality term (OQT) for 'product of island farming'.

Situation with regard to island farming: two major product groups predominate: fruit and vegetables, and specialised crops like olives and wine. The total production value of these two groups represents 4.7 % and 3.6 % of the EU total in the respective sectors and close to 60 % of the total value of EU islands' agricultural production, as against only 30 % in the EU as a whole.

The report contains certain findings.

- Island agriculture has some common features, but these relate mainly to **structural challenges rather than specificities reflected in the products**. These challenges are already subject to various measures such as the Structural Funds, rural development programmes, direct aid schemes under the common agricultural policy, transport policy, research programmes, local development strategies, etc.
- The structural challenges can be regarded as having a positive impact on the qualities /characteristics of island products and on production methods (e.g. by maintaining quality, know-how and raw materials, and improving local processing techniques).
- While combinations of natural and human factors can result in particular characteristics in island products, these are normally specific to a given island. As islands are very diverse, it seems unrealistic to identify specific characteristics common to all their products, or at least to Annex I products for human consumption.

Existing schemes: the paper outlines existing schemes such as protected designations of origin (PDOs) and protected geographical indications (PGIs), as well as the RUP logo but points out that not all island agrifood products benefit from these schemes and public or private initiatives to improve quality and add value on the market. For example, only around 5 % (in value terms) are covered by PDOs/PGIs and the RUP logo, while used, targets specific outermost region products that satisfy certain requirements. On the other hand, many private standards have been put in place referring often to specific geographical origin. However, the situation seems uneven between islands across the EU.

Arguments in favour of a 'product of island farming' optional quality term (OQT).

- As a voluntary instrument imposing a relatively light administrative, control and budgetary burden, an OQT might suit some small-scale producers, in particular on small islands not benefitting from a sufficient scale to engage in other marketing tools (such as collective, certification and territorial brands, PDOs/PGIs and the RUP logo). This would only be relevant for a small part of island products.

- Besides functioning as a communication and marketing tool, an OQT could **add value to some island farming products**, in particular if Member States were to ensure that it is integrated with or linked to other measures.

Arguments against

- A ‘product of island farming’ OQT could **penalise producers** already engaged in quality schemes by placing them in competition. There is a risk of diluting existing initiatives (territorial marks, PDO/PGIs, etc.) which are subject to stricter control and/or certification and therefore extra costs.
- The fact that there are currently no generic labels for island products (labelling and promotion refer to specific islands) is an indication that the **‘island’ concept is not considered sufficiently strong** or appropriate to convey particular messages to consumers. The only example that comes close to sending such a message, the RUP logo, has a limited scope of application. An OQT could negatively impact these existing scheme.
- As most island products are not exported but sold locally or on the mainland of the Member State in question, it can be argued that regulation of labelling claims could be **better addressed at Member State level**.
- The range of potentially eligible OQT products is likely to be severely limited by the obligations set out in Regulation (EU) No 1151/2012 in terms of sourcing of raw materials, processing requirements and limitation to Annex I products.
- The structural problems faced by islands might be addressed by the existing structural instruments.

The Commission invites the European Parliament and the Council to discuss this report and welcomes their feedback.