Possible extension of geographical indication protection of the European Union to non-agricultural products

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The European Parliament adopted by 608 votes to 43, with 43 abstentions, a resolution on the possible extension of geographical indication (GI) protection of the European Union to non-agricultural products, in response to the Commission Green Paper on the same issue.

European legislative proposal: whilst welcoming the Commission's initiative of consulting stakeholders in order to determine whether EU geographical indication (GI) protection could be extended to cover non-agricultural products, as well as the outcome of the consultation which was concluded in October 2014, Parliament clearly favoured an **EU system of protection** based on geographical indications for non-agricultural products, as part of a broader strategy for promoting high-quality EU products. It asked the Commission to propose a legislative proposal with the aim of establishing **a single European system of protection of geographical indications for non-agricultural products**, and of ensuring that the effects of the new system on producers, their competitors, consumers and Member States were fully considered.

Members stressed that such an instrument would need to be accompanied by **information and communication campaigns.**

Benefits of a uniform protection at EU level: Parliament stressed that it would be highly recommended for the EU to adopt legislation on non-agricultural GIs, in order to: (i) fully exploit the positive economic effects of protecting the distinctiveness and quality of such products, (ii) provide consumers with reliable information on their place and method of production, and (iii) preserve the know-how and jobs relating to them.

The resolution emphasised that the recognition of protection of non-agricultural GIs and traditional, high-quality know-how:

- was both a defensive and offensive interest in the framework of the **common commercial policy;**
- fostered **innovation and the creation of new start-ups,** in particular for small enterprises and micro-enterprises, which were the source of 80 % of typical locally-made products that could be protected under the geographical indications system;
- **combatted counterfeit or imitation products**;
- ensured a more socially, economically and environmentally **sustainable approach to economic development** inside and outside the EU;
- contributed to **fair competition** and **consumer protection;**
- help **stop the depopulation and destruction of rural areas** and the flow of young people leaving these areas.

Parliament recognised the importance of investing in education and training in this field, and encouraged Member States to make optimal use of the available EU funding and programmes for the support of vocational training for specialists involved in the production and promotion of environment-friendly local and regional artisanal and industrial products. It also encouraged the Member States to exchange good practices in creating and supporting initiatives aimed at stimulating the traditional artisanal sector.

Relations with third countries: Members considered that **open-ended lists** of all products, both agricultural and non-agricultural, that were protected by geographical indications should be **incorporated into future EU trade agreements** with non-member countries.

Extending the scope of the GI protection system to cover non-agricultural products could: (i) help make the EU's position on GIs even stronger and more cogent, in multilateral forums; (ii) stimulate European exports and gain market share while achieving international recognition of the products in question; (iii) strengthen the Union's hand in the WTO; (iv) be an advantage in negotiating trade agreements with third countries.

The Commission was called upon to include in its upcoming communication on the EU's trade and investment strategy **a coherent and well-prepared strategy for all GIs**, which ensures that they are observed and recognised.

Protection at EU level: Parliament asked the Commission to create a **system based on best practices and transparent and non-discriminatory principles,** which was effective, responsive and free of unnecessary administrative burdens and deterrent costs for producers who voluntarily decide to register a product under a geographical indication scheme.

Such a system should ensure **strict controls** and should include appropriate means of dealing with fraud. Furthermore, the system should:

- represent a **guarantee which is intuitively perceptible to consumers** who sought high-quality products in terms of authenticity and origin which have a strong link to the geographical area concerned and are supported by reliable and clear information;
- **have a broad definition** that would make it possible to recognise the link between a product and the area covered enabling the inclusion of names which, though not geographical, were unambiguously associated with a given place. Members recommend that the protection scheme should include non-verbal signs and symbols that were unmistakably associated with a particular region.

The label/distinguishing sign/mark/logo for non-agricultural GIs should be **simple and easily recognisable,** should reflect the regional/local identity of the goods, and should be expressed in at least the language of the product's place of origin and that of the country into which it is imported.

Registration process: Parliament recommended a **compulsory registration procedure**, as this would provide greater security, especially as regards the enforcement of rights in the event of a dispute. Registration should take place in **two stages**:

- firstly, on-the-spot checks should be made by national or regional authorities to ascertain that specific characteristics are not being interfered with;
- secondly, there should be a **single European registration system** to ensure compliance with common criteria in all parts of the EU. In this regard, Members proposed that the system should be managed at EU level by the Office for Harmonization in the Internal Market (OHIM).

Specifications should include at least the following criteria: raw materials used, description of the production process, proof of the link with the territory, and elements of corporate social responsibility. The system must be accompanied by the creation of a **single standardised and public European register** for non-agricultural products benefiting from geographical indication protection.

Parliament also stressed the relevance of **quality checks**, and advocated, in addition, that an **inspection, infringement and penalty scheme** be set up to monitor geographical indications on products marketed in Europe.