

Geographical indication protection for craft and industrial products

2022/0115(COD) - 07/03/2023 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Legal Affairs adopted the report by Marion WALSMANN (EPP, DE) on the proposal for a regulation of the European Parliament and of the Council on geographical indication protection for craft and industrial products and amending Regulations (EU) 2017/1001 and (EU) 2019/1753 of the European Parliament and of the Council and Council Decision (EU) 2019/1754.

The committee responsible recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the proposal as follows:

Objectives

This Regulation creates unitary and exclusive protection for the geographical indication of craft and industrial products, ensuring the following:

- necessary powers and responsibilities for the producers acting **collectively** to manage their geographical indication, including to respond to societal demands for products resulting from sustainable production;
- **fair competition** for producers in the commercial chain;
- reliable information and a guarantee of authenticity of such products for the consumer;
- simple and efficient registration of geographical indications, taking into account the appropriate protection of intellectual property rights;
- effective enforcement and marketing throughout the Union and in **electronic commerce**, ensuring the integrity of the internal market;
- local economic development, which guarantees the protection of knowhow and of common heritage.

Definitions

Members clarified the definition of 'geographical indication' to mean an indication consisting of or containing the name of a geographical area, or another indication known as referring to such area, which identifies a good as originating in that geographical area, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin.

The report also includes the definition of 'national specific protection for geographical indications for craft and industrial products' to mean an intellectual property title under national, regional or local law specifically protecting names that identify craft and industrial products with a given quality, reputation or other characteristics linked to their geographical origin, with the exception of trade marks.

On the other hand, the report deleted the definition of 'combined nomenclature' as Members considered this to be unclear.

Registration procedure

Members considered that the registration procedure should comprise two stages: (i) the first stage should take place at national level; (ii) the second stage shall take place at the level of the Office.

By way of derogation, Member States may opt out of the national stage of the procedure and choose a **direct registration** in which only the European Union Intellectual Property Office is responsible for the registration. Member States and the Office should ensure that the **administrative burden** associated with the procedures for registering geographical indications is **kept to a minimum** in order to facilitate the registration.

Single document

Micro, small and medium-sized enterprises (MSMEs) often have limited resources to deal with administrative tasks. The competent authorities should, therefore, upon request draw up the single document for them on the basis of their product specifications and send it for their approval and the competent authority should also provide all necessary support tools, including financial support and assist MSMEs during the registration procedure.

Registration fees

Moreover, where a Member State charges a fee covering administrative costs, the level of the fees should be **reasonable and proportionate** to the means of the businesses in order to foster the competitiveness of the producers of the geographical indications. The competent authority should ensure that applicants can submit their applications electronically.

Checks and enforcement

The Member States and the Commission should work on an efficient enforcement system, in order to avoid fraudulent practices.

Citizens and consumers should expect that any geographical indication is covered by robust verification and control systems, regardless of whether the products originate from the Union or a third country. In this regard, EU countries would be required to designate a competent authority in charge of checking that a GI has been placed on the market in accordance with the product specification. Members wanted to make sure that the rules effectively apply also to goods placed on the electronic market and make obligatory the proposed establishment of a **digital portal** with details of certification bodies accessible to the public.

The digital portal should include the names and contact details of the competent authorities and delegated product certification bodies including natural persons. Taking into consideration the importance of the online markets, the inspection have also to take place in the online world.