



Bernd Lange

Chairman of the International Trade Committee and leading rapporteur for the TTIP resolution

The conclusion of the TTIP seems to be on top of the Commission's agenda for 2015. EU wine producers consider that these negotiations provide the perfect opportunity to secure a better protection of their Geographical Indications in the US. What is the position of the European Parliament on this sensitive issue?

I am personally convinced that the multitude of unique products we produce in Europe, whose importance we have underlined with the establishment of the GI system, should also be recognised abroad. Not in the least because GIs are promoting and strengthening regional producers. And I consequently believe that if Europeans have a right to ask for protection for their unique products, it should be in the right of producers from third countries to ask for protection for products they deem unique. And trade negotiations are just the right place to find an agreement on how to best achieve protection for such products. The EU is doing just that with a very diverse set of countries spanning

“Because origin matters”

EFOW is a Brussels-based organisation representing wines with an Appellation of Origin or Geographical Indication from the European Union. As the voice of the European origin wines towards European and international institutions, it is actively lobbying for a better protection and promotion of these wines within the EU and throughout the world.

Its current members are the national associations in charge of origin wines from France (CNAOC), Hungary (HNT), Italy (FEDERDOC) and Spain (CECRV), as well as the Port and Douro Wines Institute (IVDP) from Portugal.

EFOW

European Federation of Origin Wines

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across the globe, spanning from Canada and the United States to Singapore and Vietnam. So there is a real added value that EU trade policy can bring to the many European producers of GIs.

But while I personally agree with the European wine producers and many others on this question, I cannot speak for the European Parliament (EP) as a whole. Nevertheless, there are two very important indications that my fellow Parliamentarians share my point of view, which is that these negotiations are just the right setting to find a solution for the protection of European GIs in the US. The first is a resolution the old Parliament adopted in 2013, when the TTIP negotiations had not even begun. In it, the EP calls for a TTIP agreement that “should include strong protection of precisely and clearly defined areas of intellectual property rights (IPRs), including geographical indications”.

The second indication is the current discussions surrounding a resolution on the state-of-play of the TTIP-negotiations. As responsible rapporteur, I have put forward a draft resolution which calls for the TTIP to include “an ambitious Intellectual Property Rights (IPR) chapter that includes strong protection of precisely and clearly defined areas of IPR, including enhanced protection and recognition of European Geographical Indications”. While many other parts of my draft have been at the centre of heated debates, the call for the protection of our European products abroad has only spawned positive reactions. In the end, I expect the EP to come forward with strong language on this point when it adopts its resolution in plenary.

Could the European Parliament support an a minima agreement that would exclude GI protection?

It is clear that the protection of GIs is a core European offensive interest. As such, the comprehensive deal we are aiming to achieve should reflect this aspect.

Furthermore, no one, not us Europeans, nor our American partners, is interested in a much scaled down agreement that would exclude such important questions of IPRs as GIs. I therefore think that we will not arrive at a situation, in which we parliamentarians have to seriously consider whether or not we can support an agreement without GI protection. It is too early to speculate about what form this protection may take, but I expect negotiators to deliver a strong package to the EP upon conclusion of negotiations, especially since the vast majority of European GIs are uncontroversial for the US.

Do you believe that a deal will be struck by the end of the year?

Seeing as there are still many questions to be addressed, investment protection being perhaps the most prominent, and into how much detail negotiators have to go during the talks, I think it is a highly ambitious target to reach any sort of conclusion by the end of this year.

In a negotiation for a next generation agreement like TTIP, content has to have absolute priority over speediness. We should not rush these talks just to find ourselves in a situation in which we have an agreement that doesn't fulfil our ambitions just because we wanted an agreement as quickly as possible.

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DOC Prosecco

DOC Prosecco is unstoppable. Established in 2009, in 5 years it has reached a turnover of 306 million bottles distributed to some 100 countries worldwide. And DOC Prosecco continues to improve.

The Glera grapes destined to become DOC Prosecco are produced by 9 provinces in the northeast of Italy, 2 regions and a total of 20,000 hectares between Veneto and Friuli Venezia Giulia. These are the dimensions of DOC Prosecco, which has continued to grow and conquer new markets since the establishment of its "Controlled Designation of Origin" (DOC) status in 2009, and which is currently sold in around 100 countries.

The 12,000 companies that, through their work, contribute to the make-up of DOC Prosecco and are key to its success are generally small, with an average land area of around 2 hectares.

An immediately palatable wine, it seems that this is the secret of DOC Prosecco, which has recorded a constant growth in double figures, rising from 141 million bottles in 2010 to over 306 million bottles in 2014. Of these, 65% are destined for export (up from 40% in 2010).

Its three main markets, UK, Germany and the USA, ensure two-thirds of the entire exports (worth 200 million bottles for the DOC) on their own. The growth trends characterising emerging markets such as Russia, China, Northern and Eastern Europe are also encouraging.

Thanks to an agreement with the largest museum in the world, DOC Prosecco is now the vin d'honneur of the Hermitage in Saint Petersburg. Another arrangement with the Hilton company, currently host to the Prosecco Presidium, and the sponsorship deal with the WSBK Superbike World Championship are just a few examples of the Consortium's international promotional activities.

Alongside these activities, and with the support of Italian and international institutions, the Consortium has introduced numerous protection-related initiatives because - like many

successful products - Prosecco frequently falls victim to misappropriation and requires a growing commitment to the fight against counterfeiting.

Most importantly, we advise consumers to look for the Italian State seal. All bottles of Prosecco must bear this neck label guaranteeing the traceability, quality and origin of products.

70%
EU wines
International
market share
is of 70%



The sector wishes to maintain national wine support programmes after 2018

In the framework of the 2007 wine reform, the European Commission set up a new tool to help the sector regain market shares: national wine support programmes. Each Member State receives a national budget that it can use on the basis of its wine sector's priorities. A number of measures are available: restructuring/conversion of vineyards, investment, promotion etc. It is a dynamic and positive tool since the financed measures allow wine producers to be present on the International stage and to increase their competitiveness. The current national wine support programmes budgetary period will come to an end in 2018. The sector needs certainty about its renewal. Indeed, vine is a perennial plant which needs projects and clear perspectives over the long term. Given the effectiveness of this measure, the sector urges EU institutions to maintain this tool after 2018 to help European wines to develop their market share.

The importance of an ambitious TTIP for GI wines

The US market is the leading export destination country for GI (Geographical Indications) wines. Despite a bilateral agreement on trade in wine, signed in 2005, European GI wines still face many challenges. Indeed, the United States does not recognise a large number of our most notorious GI wine, such as Champagne, Chianti, Porto, Jerez and 13 others, which are considered as "semi-generic" in the US. Thus, American and other third countries

wines may use these names to label wines produced in the US or in other countries for the US market. In addition, GI wines are confronted with an expensive US trade mark protection system which does not always guarantee an adequate protection. EFOR believes that the TTIP is a good opportunity to address these issues and calls on the European Parliament to vote in favour of an ambitious resolution which will protect our investments and our Intellectual Property Rights.

No need for a simplification of the EU quality policy

The Cabinet of Agriculture Commissioner Hogan, following a request of President Juncker, is currently exploring possible ways to simplify the EU quality policy. Nowadays, rules on Geographical Indications (GIs) are governed by 4 regulations referring to distinct sectors: wines, spirits, agricultural and foodstuff products and aromatised wines. If, at first glance this seems complex, the different legal frameworks are the result of each sector's intrinsic characteristics: production methods, link to the terroir, history etc. Any proposal to merge these regulations into a single text would represent a substantial reform that may dilute the concept of appellation of origin for wines. The sector has just implemented a major reform regarding its appellations' management. EFOR wishes that time be given to operators to measure the effects of this last wine reform which we believe is beneficial for the sector. We do not need another reform.



Dear readers,

The negotiations of the transatlantic agreement are on everyone's lips. We welcome the fact that the Commission has made this a top priority given that the US is by far our leading export destination country. The Geographical Indication (GI) wine sector is looking for an ambitious agreement which will put an end to the shortcomings of the 2005 EU-US wine agreement, especially the end of the use of our most notorious names considered as "semi-generics" in the US. However, the wine sector does not want a CETA solution

(Canada agreement) for GI wines. In fact, for a number of GIs, CETA provides for a mere protection through labelling rules. We consider that the EU must achieve a real recognition and an effective protection of our intellectual property rights. It is about protecting wine producers' investments and not only fighting against consumer deception.

Beyond the TTIP, it is essential to look East to Asia which has a significant market potential. We must finalise as soon as possible agreements with China (on GIs), Japan, Vietnam and many others. Our competitors are very active on these markets; it is high time that we secure better access to them too.

A recent study published by the European Commission on the competitiveness of European wines highlights the fact that the GI wine sector is dynamic. Indeed, between 2000 and 2013, European wines have improved their competitiveness in the global market in terms of value and have maintained their position in terms of volumes. However, this result was generated by opposite trends: increased competitiveness for GI wines against a decline of bulk wines. This demonstrates the need to invest in maintaining and strengthening our current quality policy and in helping us to better position ourselves in international markets.

I wish you a very pleasant reading,

Riccardo Ricci Curbaastro

PRESIDENT OF EFOR

EFOR

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