



Phil Hogan
Commissioner for Agriculture and Rural Development

— **At the beginning of your mandate President Juncker invited you to analyse the possibility of simplifying the current EU quality policy. Since then a year has passed by. Have you taken any decision on this and if yes could you please specify the upcoming proposal and agenda?**

— Simplification of current EU quality policy is one of my priorities. My starting point is: where and how we can make life easier for producers?

In parallel to a thorough in-house analysis, Member States and stakeholders have been consulted. There is some scope for simplification of procedural rules for GI wines in the framework of the implementing rules and delegated act that have to be done. This process has been started. Our objective there is to simplify the rules for wine applications and modifications; shorten and simplify information requirements; present user-friendly application models; improve public information; or shorten certain deadlines. Our analysis shows that we could do more. Let me point out just one aspect.

“ 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.



European Federation of Origin Wines

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There will be a constant need to adapt product specifications for existing GI wines – to adapt to the market, new technologies, etc. My understanding is that once wine producers agree on such a change, they want this up and running as soon as possible. In the past, all they had to do is agree this with their national administration. No opposition procedure may have been necessary. This is radically different now. Modifying a product specification now requires two examinations – first at national and then at Commission level. Two opposition procedures have to be launched – one at national level and then one at EU level. Experience with GI foodstuff shows that this process is lengthy. It can take years. It is also increasingly used for legal challenges. In addition, we see that wine rules are more burdensome than those for foodstuffs: for example, the current wine rules foresee a specific Commission decision to launch the EU-wide opposition procedure.

— **Commissioner Malmström has recently published a new EU trade strategy which remains silent on the perspectives for GIs in the coming years. What is your strategy to make sure GIs remain at the top of the EU and international trade agenda?**

— Protection of GIs has been an essential feature of the EU trade strategy over the last 20 years, both at multilateral and bilateral level. This is still valid now and will remain valid in the future: the EU is pursuing an ambitious agenda on this matter, starting with the emphasis put on this topic in the context of TTIP, where GIs represent a must-have for the EU. But this is equally valid for other key trade negotiations either on-going (e.g. Japan and China) or soon to start (e.g. Mexico, Philippines). At the multilateral level, GIs are also at the top of the international trade agenda of the EU and its Member States: in the Doha Round of the WTO, the EU seeks to improve GI protection through the creation of a binding multilateral GI register facilitating protection of GIs, and through extension of the higher level of protection currently only available for GIs for wines and spirits to GIs for all products. In WIPO, the EU and its Member States contributed to the successful outcome of the Diplomatic Conference in May this year concluding the review of the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration, which resulted in the adoption of the Geneva Act, a modern attractive multilateral treaty covering all GIs.

— **The TPP has been recently concluded. A number of negotiating texts showing that the recognition of our GIs could be seriously jeopardised have been leaked. If this is the case, what is your strategy to ensure that we do not face unfair competition from trade marks registered by third parties?**

— Our first assessment is that GI provisions in that agreement do not restrict the protection of GIs more than is standard practice in the EU and that compliance with TRIPS is assured. Therefore, these rules do not seem to hamper the EU ability to continue to pursue an ambitious GI agenda with the TPP membership, and beyond.

follow





Franciacorta

Franciacorta is a region of gentle hills in the district of Brescia (Lombardy). The area is limited eastward by rocky and drift hills, westward by the river Oglio, northward by the banks of the lake Iseo and southwards by the alluvial plain that ends of the highway Brescia-Bergamo. Vine has been present in these valleys since ancient time. The name “Franzcurta” appeared for the first time in an order of the *Eight Book of Statutes of Brescia* in 1277 concerning an injunction made to the municipalities of Gussago and Rodengo. Those who received the order knew well which were the *Franzcurta* territories testifying of an even more ancient use of the name probably linked to the power of the monasteries founded by Cluny monks free from the payment of taxes to the bishop of Brescia, hence free courts or in latin *francae curtae*.

Franciacorta is renowned for its wine-making practice based on a secondary fermentation in the bottle that gives rise to lively and sparkling wines.

Franciacorta, *Official Sparkling Wine of Expo Milano 2015*, has been enjoyed by more than 145 thousand visitors who visited the Franciacorta *Wine Bar* during six months; over 21,000 bottles were uncorked. Franciacorta wine producers are very proud of this success.

€9 billion
the sector's exports in value, nearly a quarter of European exports of agricultural products



PDO wines oppose dangerous aspects of the proposed reform of the Combined Nomenclature

The Commission is currently working on a proposal to modify its Combined Nomenclature (CN) – a method for designating goods and merchandise at the customs level – due to some recent changes at the World Customs Cooperation Council. A new tariff heading for still wines in containers holding more than 2 liters but not more than 10 liters (i.e. Bag-in-Box) will be added to the existing codes. This would not pose a problem.

However, the Commission is also proposing to delete specific codes that have been given to 28 wine Protected Designation of Origin (PDO), for the sake of “simplification”. Historically, PDO wines which have major economic and export developments have been using these codes to track their product’s flow towards foreign markets, estimate data on volumes and sales trend, plan more focused marketing strategies and fight against fraud. This eight-digit system is essential to our sector in order to define trade activities and strategies with a view to develop our market shares in export markets. EFOW believes that the proposed reform would not only limit the traceability of our wines on the internal and foreign markets but that it is in contradiction with one of the EU’s priorities which is to promote GIs. EFOW believes that the EU’s CN should maintain its current specific codes for PDO wines and should remain open and flexible to let in new PDOs that are able to prove major economic and export developments.

New EU trade strategy and perspectives for GI wines

Commissioner Malmström has recently published the EU’s new trade and investment strategy but the text remains silent on the perspectives for Geographical Indications (GIs) in the coming years. EFOW believes that the two greatest challenges for GI wines that should be taken on board by the EU are a sound protection of GIs on the internet and the re-launch of the negotiations of the multilateral register for wines and spirits. The digital economy is revolutionising the way we trade. The wine sector’s online sales are growing by an average of 30%/year. However, the sector does not have tools to protect its GI names on the internet from cyber squatters and counterfeits. ICANN’s liberalisation of top-level domains has worsened the situation as the internet has gone from more or less 20 domain names to 750 and counting. GIs just like trade marks should benefit from a dispute resolution mechanism to protect their intellectual property rights in the context of domain name allocation. As far as the WTO GI register is concerned, the sector is not expecting breaking news at the Nairobi Ministerial Conference. Nevertheless, it believes the Commission should continue to push for this project and make it an integral part of the single undertaking approach of the WTO.



Dear readers,

The Trans-Pacific Partnership agreement was recently concluded and published. A first analysis of the agreement shows that the EU Geographical Indication (GI) system might be under threat. The Commission has negotiated a number of ambitious agreements for GIs (ex. South Korea, Vietnam, Singapore, Morocco, SADC etc.) and it should not back down in spite of a US-lead attack against our GI policy. It should continue to show that the GI model it has created is beneficial for communities and consumers all over the world. Agreements such as the TTIP and the EU-Japan FTA will certainly not be a piece of cake in that regard but the EU cannot limit itself to tariffs elimination. Trade is also about values and the GI system is part of our European ideals. In fact, GI chapters are difficult to negotiate but let’s not forget that the EU wine sector’s competitiveness derives from this specific know-how and qualitative approach. Without it, the European viticulture would be a mere commodity, struggling against wines produced at a lower cost in other parts of the world and would not be the envy of our competitors who try to use our names.

It is important to negotiate and conclude trade deals but it is even more crucial that these agreements are then ratified. A number of agreements will be submitted to the European Parliament and Council in the coming months. We ask these two institutions to carefully weigh the pros and cons and to help Europe become more competitive in a world which is more and more interconnected. Let’s be rule-makers rather than rule-takers.

I would also like to take this opportunity to inform all of you that I will be stepping down as EFOW’s President and handing over the Presidency to my colleague Bernard Farges, currently President of the CNAOC – the association which represents French PDO wine producers. It has been a pleasure and a great honour being President of EFOW. We have come a long way on a number of dossiers thanks to the support of a large majority of EU decision-makers. I am very proud that I had a chance to contribute to a number of important battles for our sector.

I wish you a very pleasant reading,

Riccardo Ricci Curbaastro
PRESIDENT OF EFOW