

**Opinion of the Committee of the Regions on Green Paper on agricultural product quality**

(2009/C 120/06)

## THE COMMITTEE OF THE REGIONS

- urges a support framework which provides long term stability for investment decisions by promoting market focused measures including legislation which introduces country of farmed labelling and promoting EU production standards (point 2);
- urges support for GIs and farmer private certification schemes on condition that they are backed up by government guarantees of the quality and origin of products (point 16);
- asks for clear Community definition for some 'reserved terms' or designating geographical production methods, such as 'farm products', 'traditional products', 'mountain products' and non-GMO (point 17);
- calls for mandatory labelling of the country where the products have been farmed to be extended to all primary and semi-processed products (point 18);
- considers that GI labelling should be extended to processed products (point 21);
- maintains that any future consideration should not be given to new schemes but should support existing schemes (point 24);
- propose to promote the extension of PDO ad PGI protection within the WTO (point 27);
- considers it necessary to explicitly ban the use of genetically modified organisms throughout all PDO, PGI and TSG production stages in order to guarantee and safeguard the survival of traditional production methods and distinctive product characteristics (point 28);
- calls on the Commission to consider the need for more flexibility and an increase in the area of their promotion budget (point 34);
- proposes that the Commission review TSG certification (point 38).

**Rapporteur:** Milner Whiteman OBE (UK/UEN-EA), Member of Bridgnorth District Council

**Reference document**

Green Paper on agricultural product quality: product standards, farming requirements and quality schemes

COM(2008) 641final

**POLICY RECOMMENDATIONS**

THE COMMITTEE OF THE REGIONS

**General**

1. welcomes the Green Paper, because its aims are to develop a framework to achieve support and protection for and gain stronger consumer connection to EU agricultural quality production, combating distortion of trade caused by fraudulent use of existing designations. This will generate long term sustainability of regions and of regional landscapes and their identity, which are crafted by farmers and their produce, therefore contributing to future regional development and reducing the risk of rural depopulation.

2. urges a support framework which provides long term stability for investment decisions by promoting market focused measures including legislation which introduces country of farmed labelling and promoting EU production standards, particularly in the areas of food safety and hygiene, protection of the environment and traditional production techniques.

3. calls for the common agricultural policy's contribution to ensuring high-quality production to be given fresh impetus and strengthened by the Green Paper. There is no doubt that Regulations 510/06 and 509/06 on designations of origin have thus far rarely been applied, to the extent that there is reason to believe that a large proportion of consumers are confused about the meaning of acronyms and expressions such as PDO, PGI, TSG and Organic farming. The set of initiatives promoting and providing information on these kinds of products therefore needs to be rethought and rejigged, and the activities of the first and second CAP pillars need to be more closely linked to supporting high-quality production and cutting costs related to certification and inspection procedures.

4. stresses that the trend towards uniform products, the concentration of production are factors which expose farmers to global market fluctuations and which threaten territorial diversity;

5. welcomes the acknowledgement in the Green Paper that agricultural quality is intrinsically linked to regional traditions, development and sustainability, but these need to be enhanced and protected through schemes such as Geographical Indication schemes (GIs) and an international register needs to be set up to

protect their intellectual property from the all-too-frequent counterfeiting of designations.

6. believes it is important to support development of initiatives such as farmers' markets and direct sales, which shorten the commercial chain by cutting out the middle-man: in addition to reducing consumer prices and oil consumption, and therefore sources of environmental pollution, these initiatives, respecting the seasonal nature of these products, promote traditional local products, which come with greater guarantees that they are fresh, authentic and tasty and are also easier to inspect.

7. Strongly agrees that the EU farmers' most potent weapon is 'quality', that consumers are demanding taste, tradition, authenticity, and, above all, local produce in food, as well as animal welfare and environmental protection, therefore EU farmers have a real opportunity to clearly distinguish their products in the market, and so gain premiums in return.

8. Agrees, that in the perspective of WTO negotiations, is it imperative that, in an increasingly open global market, EU food quality and safety standards can be communicated and presented to consumers as a favourable, and in many cases distinguishing, product property. Calls on the Commission to secure recognition of geographical indications from the EU's trade partners.

9. highlights the need for a framework that can keep abreast with the ever increasing global consumer and EU farmer demands. As a result, farmers need support measures, such as greater flexibility and an increase in the promotional budget for farmer governed geographical indications or private certification schemes, provided that these are backed up by government guarantees of the quality and origin of the products. These schemes are flexible and react quickly to new farmer and market demands.

**Role of local and regional authorities**

10. considers that Local and Regional Authorities have extensive experience and established competence to influence and support agricultural quality production by their actions in managing EU rural development plans, spatial planning and regional development. There are many cases where authorities have fostered quality through their support for schemes such as GIs.

11. notes the new structure of the CAP (decoupled support) and how EU farmers are being increasingly exposed to the global market. As a result there is a significant need for the higher production and quality standards that EU farmers achieve (in areas such as sustainability, health and hygiene guarantees for crops and products, safety and respect for workers' rights, animal welfare and territorial development of regions) to be recognised over that of third country standards and for these higher standards to continue to be compensated for by EU direct payments after 2013. This is particularly important for Local and Regional Authorities as the activities of EU agriculture shape the economy, landscape and community in all regions.

12. points out that the conditions should be created which would allow Local and Regional Authorities to contribute to and comprehensively promote agricultural quality through the EU Rural Development Programmes. Local and Regional Authorities are key to establishing priorities and implementing the programmes which have achieved success in developing and delivering real advantages to EU farmers.

13. notes the positive results of initiatives for renewed territorialisation of agriculture, creating stronger links between the territory of origin, consumers and agriculture; farmers' markets and activities in schools are specific examples of ways in which children and the general public can be familiarised with agricultural produce, their methods of production, their organoleptic qualities and their seasonality; calls on the European Commission to support the dissemination of these good practices;

14. recognises that activities by Local and Regional Authorities to promote the demand for agricultural quality produce, by their actions to improve public procurement across all areas including school and hospital meals, could help make an important contribution in achieving the aims of the Green Paper: therefore calls for gradual extension of these actions across the board, with appropriate forms of support. Calls on the Commission to take account of the results of these projects initiated by local and regional authorities, taking account of certain factors such as the reduction of food waste in canteens and the quality of agricultural products.

15. also stresses the action taken by a number of EU local and regional authorities in third countries — in the framework of development programmes — to support traditional agricultural methods, respect for ecosystems, biodiversity and local consumer needs.

### **Production requirements and marketing standards**

16. wishes to remind the Commission that farmers, consumers and industry continue to reject an EU scheme and logo (this was recently highlighted at the Commission

conference on standards in February 2007). Consumer connection and relevance can be better achieved through clearly labelling the specific origin and quality of production. In addition, the time taken to develop a logo, the cost of compliance inspections to farmers and to achieve any form of consumer connection is not considered of value. Also, the market and farmers have developed their own schemes to achieve these aims therefore to develop better value for money and better consumer connection we would urge support for GIs and farmer private certification schemes on condition that they are backed up by government guarantees of the quality and origin of products, providing the consumer with clear information and without generating additional financial or administrative burdens.

17. urges simplification in the area of marketing standards but emphasises that there is a need to establish a closer relationship between production needs and the product obtained through terminological clarification, legal application and the provision of appropriate information to consumers via labelling. Also considers that barriers of little benefit need to be removed as well as quantitative slippage as regards the concept of food quality; therefore welcomes the European Commission's recent proposal which abolishes rules on the shape and dimensions of various kinds of fruit and vegetables. Strict measures need to be maintained so farmer and consumer protection and trust are achieved. This is particularly important when genetically modified food using GMOs is involved. However such measures should not duplicate protection offered by other legislation that prevents consumers from being misled. Clear definitions of production needs and the determination of characteristics governing the use of some terms could help to achieve this such as 'free range' and 'low carbon'. It could be useful to define both generic products and the minimum requirements they need to meet for marketing. It could also be productive to work out a clear Community definition for some 'reserved terms' or designating geographical production methods, such as 'farm products', 'traditional products', 'mountain products' and non-GMO. With an adequate level of constantly verifiable self-inspection, these terms could be included on labels on a voluntary basis.

18. stresses the continued body of evidence stating that EU consumers are requesting to know which country their food is farmed in. There are increasing examples showing that consumers are being misled in this area. Therefore the committee calls for mandatory labelling of the country where the products have been farmed to be extended to all primary and semi-processed products and main ingredients of finished products such as ham and cheese.

19. proposes that VAT on farm produce be harmonised in the Member States, as fair competition between farmers would be conducive to better quality products;

### Specific EU quality schemes

20. stresses the need to have global consumer trust and confidence in the EU system of GIs. There is a clear need for the consumer to be better informed regarding the nature of the systems, their intellectual property respected at an international level and how they are intrinsically linked to regional communities; it is therefore crucial to implement promotional campaigns informing consumers on this matter, with a specific budget. Within the EU, the Member States will officially take the necessary measures to halt illegal use of PDO and PGI designations in their countries, under Article 13.1 of Regulation (EC) No 510/06.

21. urges the need for consumer confidence to be gained through full transparency; GI labelling should therefore be extended to processed products. So as not to undermine the future integrity of GIs where GI products are listed on the label of the end product, it must be ensured that the proportion of that ingredient is significant enough to be a defining characteristic, and the use of the GI must be authorised by the relevant protective association and authorities.

22. as regards GI labelling, believes it is important to fix criteria that can be used to decide whether a name is non-proprietary or whether it can be protected as a GI. The list of products could be extended to include forest berries and wild mushrooms, and products made from them; it should also be ensured that the product list includes products made with berries and fruit. The Commission should also take into account the existence of collective certified labels which are recognised in Member States (specific quality schemes), and should propose a common set of rules for Member States so that these quality mechanisms are recognised.

23. believes that the bodies and procedures which monitor and certify organic products should be streamlined, so that safety and consumer confidence can be strengthened through a new EU organic logo, which would ensure the same criteria for production, monitoring and certification are used across the EU and would help to solve problems and further promote the single EU organic market and could play a real part in ensuring consumers are better informed about the existence of common, effective rules and controls for organic products throughout the EU

24. maintains that any future consideration should not be given to new schemes but should support existing schemes in areas such as animal welfare. Commission support through guidelines and credibility would be welcomed but any proposal concerning the development of new logos is unnecessary in a consumer market where existing logos are recognised and their values known for example the French logo 'label rouge'.

25. considers that, instead of this, a system of sanctions should be introduced for the illegal use of protected denominations and that individuals suspected of such practices should be identified and monitored and sanctions proposed in all the EU Member States.

26. notes, with regard to protected designations, that it would be appropriate to require all the Member States to automatically protect designations of origin from abuse or imitation. Moreover, it proposes to differentiate procedures and rules for protecting protected designation products, singling out those with a significant international reputation which are major exports, and also more exposed to counterfeiting and abuse than those sold mainly on local markets, which are less exposed to misuse of labels of origin. For this category of products it suggests a simplified recognition procedure providing national or regional protection. As production techniques and processing technology evolve rapidly in some sectors, the introduction of simplified procedures for adapting production rules would be helpful.

27. It would be a good idea to promote the extension of PDO and PGI protection within the WTO. Efforts should be made to contract bilateral accords with the various non-EU countries on mutual recognition of food and agriculture labelling. Given the large number of new requests for GIs from third countries, the CoR proposes investigating setting up a European agency for the quality of agricultural production. Regardless of whether or not they are exported, products should be able to benefit from EU recognition. The form of international protection could differ depending on the risk of the product being counterfeited. For example, exported products at high risk of being counterfeited would require international protection within the WTO. The procedure could be simpler for lower-risk products sold on a local scale — it would involve the Member State recognising the product and informing Brussels (similar to the current provisional level of protection), and the product being protected under European law. It is also essential to make sure that the GIs are protected within the EU, ensuring that the Member States intervene in their own territories and are responsible for taking official action if products are counterfeited or if registered products are imitated. The CoR proposes that a specific provision along these lines should be made in Article 13 of Regulation 510/06. Official protection should be upheld by the Commission at international level and within the EU in particular.

28. considers it necessary to explicitly ban the use of genetically modified organisms throughout all PDO (Protected Designation of Origin), PGI (Protected Geographical Indications) and TSG (Traditional specialities guaranteed) production stages in order to guarantee and safeguard the survival of traditional production methods and distinctive product characteristics;

### Certification schemes

29. recommends that greater involvement from producer organisations should be encouraged and that markets should take the lead in this area. Well structured private schemes, which include producer governance are more responsive than legislation and therefore can react faster and to local demands, examples include schemes in Sweden, UK and Germany.

30. believes that existing certification schemes for added value would better meet societal demands if they gave clear and reliable information about the farming location and methods and nutritional content.

31. believes that common guidelines would be useful and would help ensure consumers are better informed about the minimum requirements to ensure the basic quality of food. Guidelines should be set by independent committees where there is a consensus from all relevant food chain stakeholders irrespective of their location.

32. supports the belief that the key to the success of private schemes is producer involvement. Providing comprehensive support for producer groups is also important. This will ensure controls, costs and standards are of true benefit to EU farmers.

33. stresses the need to take account of the financial and administrative burden on small producers using non-industrial farming practices; in this context calls for the maintenance of derogations granted for these types of production which cannot comply structurally with the application of certain rules

### Other points

34. calls on the Commission to consider the need for more flexibility and an increase in the area of their promotion budget. There is a need to review areas of emphasis in the promotional budget so greater consideration can be given to certification schemes of whatever kind.

35. believes that EU farmers could get greater acknowledgement and develop better marketing systems if State Aid rules were relaxed in the area of food promotion and if Community public quality certification schemes (PDO, PGI, TSG, Outermost Regions logo, Organic Farming) were boosted and improved.

36. calls for the establishment of microcredit facilities for small farmers investing in product quality improvement and local food safety. In this context, it suggests that the possibility be considered of channelling resources hitherto devoted to intervention measures to farmers who adopt forms of production conducive to fair and sustainable agriculture;

37. In order to avoid sowing confusion and adding to red-tape, the creation of new Community certification schemes should not be supported. It could be useful, however, to have guidelines that guarantee the objective content of certifications such as ISO and BIO for products not covered by PDO and PGI. It would also be expedient to intensify and better coordinate collaboration between various inspection bodies.

38. proposes that the Commission review TSG (traditional specialties guaranteed) certification and introduce a Special Grade of European Food Hallmark, to be a new quality certification scheme for traditional/local/craft produce which, by bringing together a set of minimum quality parameters, associates other values relating to the area of production, the local/regional economy, sustainable land management, their contribution to preserving the rural population, tourism, local quality of life, etc. The certification scheme should use terms such as traditional product, local product, regional product, etc.

39. The Commission is urged to provide financial support, both within the single market and in third countries, for information and publicity campaigns to promote and explain the meaning of the various European farm product quality labels, as well as the extensive production conditions and rules that must be met by European farmers compared to other countries (concerning the environment and animal welfare, high food safety standards, etc.).

Brussels, 13 February 2009.

The President  
of the Committee of the Regions  
Luc VAN DEN BRANDE

---