

Tradition and Transition: Sustainability at the Heart of Geographical Indications

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First, I would like to thank Spirits Europe for inviting me to the presentation of this interesting event on geographical indications.

In the Farm to Fork strategy published in May 2020, the Commission announced its intention to revise the legislative framework of the GI schemes, in order to improve their contributions to sustainable production, and to strengthen the position of farmers and producer groups of GIs.

As you all know, the European Commission is preparing a legislative proposal on GI's that will be published in the last quarter of 2021 or early 2022. The new reform will probably impact all pieces of the current legislation.

The European Commission would like to put a strong emphasis on improving sustainability criteria and this may lead to some relevant modifications of the current technical specifications.

On the 3th of March, the European Commission published a study intended to support its evaluation of the current scheme. It found that the EU framework on geographical indications (GIs) and traditional specialities guaranteed (TSGs) is generally effective in reaching its objectives and provides a clear EU added value. According to the European Commission, there is, however, some room for further integration of environmental sustainability. The study identified some limits, such as the low awareness and understanding of GIs and TSGs by consumers in some Member States as well as weaknesses of the controls at the downstream stages of the value chain.

There are 240 GIs in Europe in the spirits sectors and they represent approximately two-thirds of its world exports. This gives us a clear idea of what is at stake in the next legislative developments.

In my opinion, Geographical Indications already contribute to improving agricultural sustainability in terms of environmental, economic and social conditions. We must bear in mind that, on average, the price of a GI product is 2.11 times the price of a

comparable non-GI product. This difference significantly contributes to the economic profitability of the sector, but also to its social and environmental sustainability. Geographical indications ensure the preservation of local landscapes and biodiversity and play a crucial role in boosting the activity of local rural areas.

In September 2020, the Intergroup of Wine, Spirits and Quality Foodstuffs that I co-chair in the European Parliament was devoted to the Geographical Indications.

I was pleasantly surprised to see how all sectors are fully committed to address societal demands. They are perfectly aware that quality products must be associated to positive environmental contribution, in line with the ambitions of the Green Deal.

During the meetings of the Intergroup, producers have also expressed their wish to find an adequate nutritional labelling system. They have manifested their preferences regarding the different models already in place in some Member States.

I think that nutritional labelling will also raise very intense discussions, but I hope that, at the end of the day, we will be able to find a good solution allowing proper information to be available

to consumers while preserving the image of quality and sustainable products.

Another important issue on the table: the new Action Plan against Cancer. We cannot deny the pressures coming from some actors in the public sphere. This sensitive topic may lead to new restrictions on the consumption of alcoholic beverages. It is necessary to ensure a rational debate around this issue to avoid disproportionate decisions. We cannot ask producers to increase their production costs in order to improve their environmental sustainability and, at the same time, demonize their economic activity.

I truly believe that to fight cancer, positive action should be taken based on education. It is necessary that all the actors in the food chain collaborate with the support of the scientific world to produce and guide the citizen towards a healthy lifestyle, without limiting individual freedoms, but correctly informing the public about the risk of excessive consumption of alcohol.

Promotional campaigns play an important role in ensuring the prosperity of Geographical Indications. The last modification of the promotion regulations was a success story. However, the a

Action Plan against Cancer may end up with strong restrictions. This issue will undoubtedly provoke heated debates in the European Parliament.

Looking ahead to the next review of the EU policy on quality schemes, another relevant aspect to be addressed is the need to improve information on the features of Geographical Indications.

Consumers do not always differentiate geographical indications from non-quality products. With the exception of wine, European logos are not easily recognized by citizens. Consumers need to be better informed about Geographical Indications and about the efforts made by producers to improve their sustainability performance. With the proliferation of other quality systems, such as organic production, Geographical Indications should improve their ability to convey their image of high-quality products.

The recognition of their authenticity and their sustainability by consumers is the only way to guarantee their economic and environmental valorisation.

However, new environmental criteria must be accompanied by the simplification of the administrative burden related to

recognition procedures, which are costly and complex. This is one of the main obstacles to overcome for smaller companies to join the scheme. The new revision of the legislation on GI's should not end up in worsening this lack of attractiveness for small enterprises.

In some sectors, such as the spirit sector, many small operators refuse adopting quality schemes, especially when consumers do not pay much attention to geographical indications due to the aforementioned lack of awareness.

Another significant challenge for the years to come is eliminating counterfeiting. Usurpations or imitations contribute to the dilution of the reputation of geographical indications and create mistrust and confusion among consumers. From my point of view, a reinforced protection of GI's is fundamental to ensure the sustainable development of high quality systems.

In my opinion, improving the environmental performance of the alcoholic industry and the whole agri-food sector is a collective responsibility. All actors of the food chain, including primary producers, retailers, catering and restaurants should join their efforts to enhance the respect of the environment by reducing the consumption of natural resources and by promoting the integration of clean energies in the production processes.

Apart from the obligations derived from the legislation, voluntary codes of conduct may be developed with the participation of all stakeholders.

To finalise my presentation, I would like to take this opportunity to highlight the important role that quality products play in rural development strategies. In recent years the amount of quality products has been growing, demonstrating the positive results of European Union legislation.

Although there is room for improvement, these products already provide economic and social benefits to the rural population thanks to the impossibility of relocation and their significant added value. In the future, we should ensure that quality products should be synonymous with sustainable production.

Geographical indications have not only an economic component but also a cultural, gastronomic and natural heritage, which is part of the identity of the European Union.

In the word agriculture is the word culture, and geographical indications are, in essence, cultural products.

We must reinforce this historical link between rural territories. We will need the collaboration of all interested parties and interested

public administrations, paying special attention to areas with economic or natural limitations.

I thank you very much for your attention.