

CC(21)249:1 -Art. 4.1(b)
Privacy

Mr Janusz Wojciechowski Commissioner for Agriculture European Commission Rue de la Loi / Wetstraat 200 1049 Brussels Belgium

Brussels, 21st January 2021

RF: Copa and Cogeca views regarding the next trilogue meeting on the CMO on $27^{\rm th}$ January 2021

Dear Commissioner,

The Common Market Organisation is a key component of the first pillar of the agricultural policy, set up with the objective of helping farmers cope with the impacts of market disruptions, of allowing producers to organize themselves, trade, and market the agricultural products according to specific rules and some specific sectorial rules.

The CMO regulation has evolved over time, to also include necessary provisions allowing farmers to work and negotiate their contracts collectively to improve their bargaining power. Recognising the specificities of the agricultural sector and allowing farmers to work collectively (to pursue their economic objectives) are two essential prerequisites for strengthening the position of farmers in the food supply chain and thus improving their bargaining power. Legal certainty for these collective actions is key for their success. This certainty is necessary when it comes to the agricultural derogations to European competition law.

In this regard, Copa and Cogeca would like to make the following specific comments:

- **Article 149 Contractual negotiations in the milk and milk products sector** we support the increase in the % of volume of raw milk at Union level covered by contractual negotiations as this may lead to an increase in the bargaining power of milk producers.
- **Article 152 Producer organisations** We welcome the extension of mutual funds to other sectors besides fruits and vegetables.
- **Article 153 Statutes of producer organisations** This provision should not undermine the stable membership base and supply of cooperatives and POs as this would prevent them from achieving their objectives and nature. It is imperative that if this possibility is made available, it is included in the statutes of producer organisations and democratically approved by its members.
- **Article 154 Recognition of producer organisations** It may be positive to introduce this provision so that the minimum number does not prevent marginal productions to set up POs.
- **Article 157 Interbranch organisations** We consider that enlarging the list of inter-branch organisations objectives (publication of data on margins) can help with transparency provided it is done for all stages of the supply chain.
- Article 158 Recognition of interbranch organisations We support the
 recognition of IBOs conditional on a balanced representation of the stages of the supply.

- Article 166 a new - Regulation of supply of agricultural products with a protected designation of origin or protected geographical indication other than cheese, wine and ham — We support the proposal to include a voluntary extension (at the request of PO or IPO) of regulation of supply for products with PGIs and PDIs to other products than cheese, wine and ham (therefore similar to existing articles 150, 167, 172). This offers a good tool for GIs to ensure a better economic return.

Geographical indications (GIs) help to preserve and boost rural communities through their tradition, history and taste. They are also an important tool when exporting high-quality products to third countries. To promote the European GI system and further encourage possible new applicants, it is important to provide certainty so that businesses can plan ahead. Therefore, Copa and Cogeca welcome simplification provided that it benefits producers, in particular when it comes to administrative procedures. For instance, we welcome the harmonisation of the scrutiny procedure (six months deadline) remaining consistent. We believe that applying the same system to all products could speed up the process. The same is true for the opposition procedure. We are of the opinion that the same deadline should apply to all agricultural products. In general, Copa and Cogeca believe that all these administrative procedures could be revised both at EU and national level to analyse the possibility of establishing a more efficient registration procedure at EU level. Furthermore, we welcome the proposal to allow the Commission to express its tacit consent to the amendment of specifications. Providing that these specifications do not call into question the founding principles of the designation itself, it must be possible for them to come into force straight away, under the remit of the national authorities in charge of interpreting and implementing EU law. If there is no opposition at EU level, the specifications should be considered valid unless the Commission proves that they do not comply with EU law, whether there has been a complaint lodged or not. On the other hand, it is vital to preserve the specific characteristics of each sector. Rules on the origin of agricultural products and their quality characteristics, which are currently defined according to each sector's specificities and specifications, are of the utmost importance. It is also essential to prevent the misuse of names. It is therefore of the utmost importance to increase the current level of protection for registered names against false or misleading practices, as well as any misuse, imitation or evocation. In this respect, and in light of recent trends in the sale of goods, including the growing importance of e-commerce, we welcome the extension of the protection to goods in transit and goods sold through means of electronic commerce. Furthermore, considering that European farmers and agri-cooperatives nowadays operate in globalised markets, we believe that international protection must be improved by ensuring that all GIs are recognised by third countries, taking into consideration the evolution of market and trade-related aspects.

In this regard, Copa and Cogeca would like to make the following specific comments on GIs:

- Article 93 Designation of origin and geographical indications-definitions: We support the amendment to article 93 to change in point (i) of point "a" "quality and characteristics" to "quality or characteristics". This change is necessary because if the requirement of the definition request for both the quality and its characteristics of the product to be linked to a particular geographical environment, it is a real issue as it is very complicated to link a subjective factor like quality to a geographical environment. We are not against the amendments of the Council, but we do not support them especially either. We do not support the amendment to introduce "A name traditionally used in a specific place" in the definition of designation of origin because it is too restrictive.
- **Article 94 Application for protection -**We can support the different versions proposed.
- Articles 96-99 Preliminary national procedure, Commission scrutiny, Objection Procedure, Decision on protection We support these articles as it clarifies and simplifies the procedure.

- **Articles 102 on Relationships with trademarks:** We support the proposal to introduce the fact that the name of a trademark is refused if it is already used by a GI. This offers greater protection against trademarks using GIs names.
- **Article 103 on Protection:** We support the proposal to strengthen the protection against misuse for PDIs and PGIs, including when they are used as an ingredient. This provides greater protection for GIs.
- **Article 105 on Amendments to product specifications**: We support the proposal to introduce a classification between two categories of amendments to products specifications; amendments requiring an objection procedure at Union level ('Union amendments') and amendments to be dealt with at Member State or third country level ('standard amendments'). This allows for some simplification regarding the possibility to adapt GIs specifications.
- **Article 106 Cancellation** We support the Commission's proposal as it simplifies the management of GIs.
- **Article 116a checks related to PDO, PGI and TSG -** We support the Commission amendment as it improves and clarifies GIs protection.

When it comes to the wine sector, Copa and Cogeca do not have other additional comments than the ones we have expressed in our letter sent in view of the first trilogue meeting on the CMO, which we attach again, for your convenience (CC(20)9120).



Personal Data

CC: Mr Wolfgang Burtscher, Director-General of DG Agri