

**The use of EU Geographical Indications as
ingredients:
an analysis based on AREPO Member Regions**

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Study realised in collaboration with Ms Elisa Aleotti

Association of European Regions for Products of Origin

AREPO is a network of **regions** and **producer associations** that deals with products of quality and origin.

- > 60% of EU GIs
- > 33 Regions
- > 8 Member States



AREPO : Our mission

For our regions, the promotion of GIs and quality products is a tool for regional development and planning.

It is therefore essential to protect and promote them

the strengthening of the EU policy on Geographical Indications and quality products, in order to ensure

good income conditions for **producers**

correct communication and information to **consumers**

AREPO acts as a **platform for the exchange of experiences** between its Regions.

Structure

College of Regions

- Presidency: Extremadura (Spain)

Ms. Begoña García Bernal, Regional Minister for Agriculture, Rural Development, Population and Territory of Extremadura.

College of Producer Representatives

- Vice President: Consorzio del Formaggio Parmigiano Reggiano

Mr Nicola Bertinelli, President of Consorzio Parmigiano Reggiano

Associate Members

- Thematic, territorial and scientific organisations and networks

Scientific Council

- A collegial consultative body open to experts and researchers from all universities and research centres in AREPO member regions.

Secretary General

Laurent Gomez, Bordeaux, Région Nouvelle-Aquitaine

Brussels Office

Lobbying and representation to the EU Institutions

Our tools - Communication

AREPO
ASSOCIATION DES RÉGIONS EUROPÉENNES DES PRODUITS D'ORIGINE

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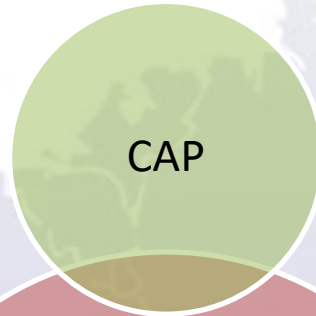
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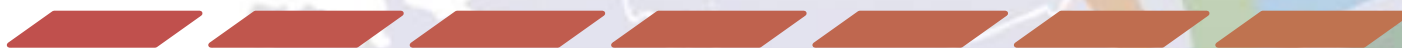
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Themes and policies



The use of EU quality schemes as ingredients: an analysis based on AREPO Member Regions

1. Introduction: objectives of the analysis



2. Analysis of European and National Legislation and Case Law



3. Survey analysis and case studies



4. Recommendations



1. Introduction: objectives of the analysis

The use of GIs as ingredients in processed products represents several **opportunities and threats**

Main objectives:

- to analyse the **existing legislation** at the EU and national levels;
- to identify **good practices and issues** related to the mention of a GI product on the label of a processed product that uses it as an ingredient.

Specific objectives:

- **Labelling rules**
- **Controls**
- **Role of the groups of producers**

2.1 Analysis of European Legislation

REGULATION (EU) No 1169/2011 ON THE PROVISION OF FOOD INFORMATION TO CONSUMERS

Definition of ingredient

Primary ingredient (> 50%)

Obligation to list all ingredients

Obligation to designate ingredients by their name

Quantity of the ingredient to be indicated **as a % of total** if:

- **It appears** in or is usually associated with the **name** of the food;
- It is **emphasised on the labelling in words, pictures or graphics**; or
- It is **essential to characterise a food** and to distinguish it.

REGULATIONS ON EU GEOGRAPHICAL INDICATIONS

FOOD: registered GIs are **protected** against abuse of reputation, ***“including when those products are used as an ingredient”*** in processed products

Reg. (EU) No 1151/2012 Art. 13 (a)

WINE: Reg. (EU) No. **1308/2013** does not explicitly state it, but the scope of the protection provisions actually covers situations where a wine GI is used as ingredient in a processed product (**“Champagner Sorbet case”**).

2.1 Analysis of European Legislation: EC Guidelines (2010)



LIST OF INGREDIENTS

The name of a registered GI may legitimately be mentioned in the **list of ingredients of a food product**.

2.1 Analysis of European Legislation: EC Guidelines

LABELLING, PRESENTATION, ADVERTISING

When the name of a registered GI is **mentioned near to the trade name, or in the labelling, presentation, advertising of a foodstuff using it as ingredient**, the following conditions should be met:

1. NO COMPARABLE INGREDIENTS

The **processed product should not contain any other 'comparable ingredient'**, i.e. ingredient(s) from the same product category which may entirely or partially replace the GI.



2. ESSENTIAL CHARACTERISTIC

This ingredient should also be used in **sufficient quantities** to confer an **essential characteristic** on the foodstuff concerned.



3. INDICATE PERCENTAGE

The **percentage** of incorporation of an ingredient with a PDO or PGI **should ideally be indicated in or in close proximity to the trade name** of the relevant foodstuff or, failing that, in the **list of ingredients**, in direct relation to the ingredient in question.



2.1 Analysis of European Legislation: EC Guidelines

EU TERMS, ABBREVIATIONS AND LOGOS

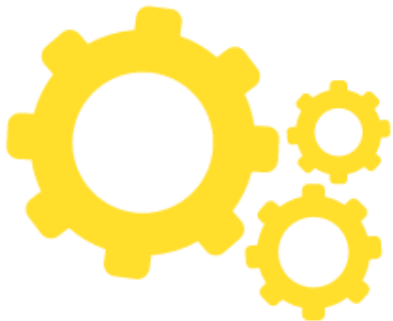
If the previous conditions are met, the **EU terms, abbreviations or EU logos can accompany the registered name**, in labelling or in the list of ingredients of a processed product **ONLY IF it is made it clear that the said product is not itself a registered GI.**

It is fundamental to avoid the undue exploitation of GI reputation as well as avoid misleading consumers.



GI SPECIFICATIONS

Provisions on the use of a GI name in the labelling of other foodstuffs **should only exceptionally be included in the GI specification**, i.e. to resolve a specific, clearly identified difficulty and provided they are objective, proportionate and non-discriminatory.



2.2 Analysis of European Case Law: the Champagner Sorbet Case

Case Comité Interprofessionnel du Vin de Champagne v Aldi Süd Dienstleistungs-GmbH & Co OHG (C-393/16) – CJEU stated that:

- The use of a PDO as part of the name of a processed product is **not unfair *per se***.
- To determine if that use constitute **unlawful exploitation**, it is necessary to examine whether such **use seeks to take unfair advantage of its reputation**.
- The **quantity** of the PDO is a **relevant test**, but is **not a sufficient** factor alone.
- The use of a PDO name as part of the name of a processed product constitutes **unlawful exploitation** of the reputation of a PDO, *“if that foodstuff does not have, as one of its **essential characteristics**, a **taste** attributable primarily to the presence of that ingredient in the composition of the foodstuff”*.
- It is **up to the national courts to determine**, on a case-by-case basis, whether such use is intended to take unfair advantage of the reputation of a PDO.

2.3 Analysis of National Legislation: Italy

FOOD

[Legislative Decree no. 297 of 2004](#) contains penalty provisions to protect and safeguard EU GIs.

Establish the **conditions** under which the use of a protected GI name in the labelling, presentation and advertising of foodstuffs containing such name as ingredients is considered legal:

- 1.a. the **Consortium responsible for the GI has issued an authorisation** and entered the user of the product in a special register;
- 1.b. or, in the absence of a recognised Consortium, the Ministry of Agricultural and Forestry Policies (**MIPAAF**) **has issued the authorisation;**
2. or the reference to the GI appears only in the **list of ingredients** of the processed product containing it.

WINE

[Single Text on vines and wine, Law no. 238 of 12/12/2016](#)

2.3 Analysis of National Legislation: Italy

MIPAAF Circulars (2007) identifying 13 **graphic and administrative criteria**

GRAPHIC CRITERIA

PDO/PGI Acronyms should follow
GI name

GI Font size smaller than the name
of final product

Same font and font size for GI
name and acronyms

Forbidden to use EU logo

ADMINISTRATIVE CRITERIA

Certified supplier

Record production

Technical data sheet

Location of production

Separate storage for GIs

Non-transferable authorisation

2.3 Analysis of National Legislation: France

DGCCRF & INAO guidelines

Criteria concerning the final product:

- Ingredient **must actually benefit from the GI**;
- It must be the **only product of its category incorporated in the preparation**;
- It must be present in a **sufficient quantity** to give the final product a **particular character (no minimum quantity identified)**.

Graphic criteria:

- The presence of the GI should not be over-emphasised (no oversized and contrasting **characters**);
- The **terms PDO/PGI/TSG** may be mentioned after the GI name;
- The **EU logos (PDO, PGI, TSG)** may not be used under any circumstances.

If the criteria are not met, the **GI name can only appear in the list of ingredients.**

2.3 Analysis of National Case Law: France

- “Comité Interprofessionnel du Vin de Champagne (CIVC) Vs Euralis gastronomie”: the French Supreme Court recognised the importance to **respect graphic criteria**, i.e. GI name should not appear in distinctive characters compared to the name of the processed products using the GI as ingredient;
- “Champagner Sorbet” case: **GI should confer an essential characteristic** to the processed product in order to be mentioned rightfully on its labelling;
- “Pizza Hut Vs Comté” case: the promotion of a PDO in the recipe of a processed product should comply with strict rules, among others, with the principle that the **processed product should not contain any other 'comparable ingredient'**.

3. Survey analysis and case studies

METHODOLOGY AND ANALYSIS OF RESPONDENTS PROFILE

The survey (**twenty-six questions**), was structured in three parts:

1. Information about the **GI producer groups** and the protected products;
2. **Economic data** on GI producer groups, as well as data referred to the **use of GI as ingredient** (volume of GI product used as ingredient, number of companies using the GI as ingredient).
3. **Qualitative and open questions** focused on strategies, experiences and problems experienced by the producer groups on the use of GIs as ingredients.

	France	Italy	Spain	Germany	Portugal	Greece	Total
PDO	24	20	8	2	1	0	55
PGI	19	14	3	4	1	2	43
TSG	1	0	0	1	0	0	2
Total	44	34	11	7	2	2	100

3. Survey analysis and case studies

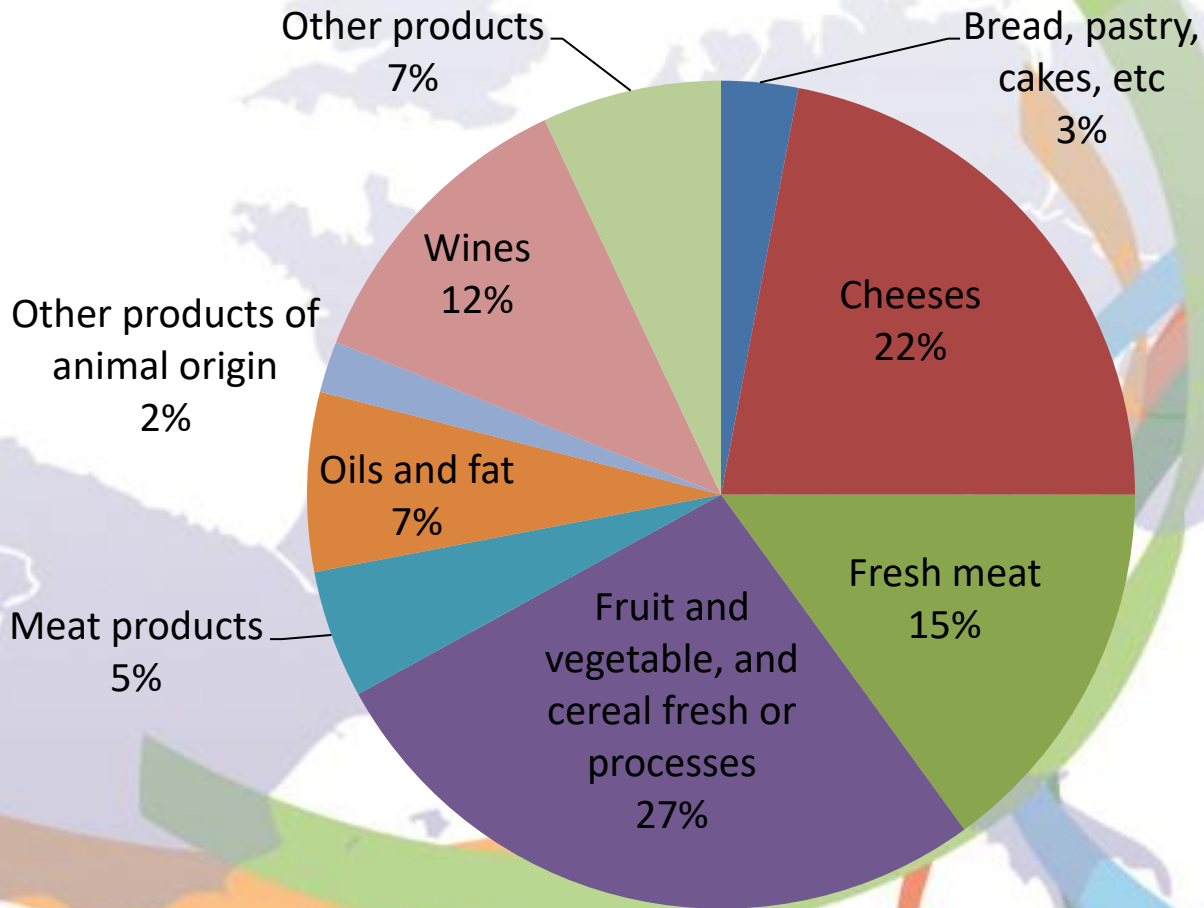


Figure 6 Survey participant divided by product category

3. Survey analysis and case studies

INTERNAL GUIDELINES AND AUTHORISATION PROCEDURE

- 31 producer groups adopted internal rules or guidelines, while 35 have a specific authorisation procedure for the use of the GI as ingredient
- Practice more common in Italy but presents also in France and Spain
- In depth analysis of 14 documents (IT) shows that guidelines contains 3 different kind of criteria
 1. **Criteria concerning the product:** define how the GI should be incorporated as ingredient with the aim to control the quality of the final product (no comparable ingredient, minimum quantity, relative quantity, limits concerning other ingredients, quality of GI, provenance of other ingredients)
 2. **Graphic criteria:** MIPAAF criteria + use of GI specific logo registered in specification
 3. **Administrative criteria** → **authorisation process** generally involves an **agreement** + some cases involve **financial contribution of reimbursement**

3. Survey analysis and case studies

USE OF LOGOS ON PROCESSED PRODUCTS

- In Italy and France the use of EU logos is forbidden
- Some GI producer groups (17 over 100) require processors to use a **specific logo to give visibility to the GI on the packaging of the processed product**
- **It can be the logo registered in product specification or a specific logo created for processed products**



3. Survey analysis and case studies

MONITORING SYSTEM AND CHECKS ON PROCESSED PRODUCTS CONTAINING THE GI

- 33 groups out of 100 have a monitoring system
- The majority (20 over 33) are **Italian consortia** since they have integrated controls on processed products in their control plans
- In general GI Consortia carry out **documentary controls** as well as control on processed product once **on the market**
- In other countries producer groups complain about a lacking or **weak monitoring system + difficulty to implement a control system**
- For all producer groups it is **impossible to cover all potential infringements**, these cases are usually discovered through random and spot checks in the supermarkets

3. Survey analysis and case studies

MAIN PROBLEMS CONCERNING THE ILLICIT USE OF GIS AS INGREDIENTS

- **Incorrect use and mention** of the GI name in the processed product labelling;
- **Evocation** of GI name by processors;
- **Quantity** of the GI used as ingredient does not respect the minimum requirement set by the producer groups in order to be considered as a characterising ingredient;
- Use of other **comparable products** in addition to the GI ingredient;
- **Comparable products**, semi-finished and non-certified products used as ingredient **instead of the certified GI**;
- Undue **exploitation of GI reputation**;
- Undue exploitation of **GI visual identity** (ex. images of landscapes referring to the geographic area of origin of the product) on the label of processed product that does not contain the GI as ingredient.

3. Survey analysis and case studies

POSITIVE IMPACT AND ADVANTAGES

Overall 69 GI producer groups confirmed that there is some kind of **advantage** in GIs being used as ingredient in processed products.

Three macro-categories of advantages identified:

1. Valorisation and promotion of GIs (47 replies);
2. Diversification of market outlets and consumer demand (19 replies);
3. Valorisation and diversification of the processed products, increasing their quality and traceability (12 replies).

3. Survey analysis and case studies

NEGATIVE IMPACT AND DISADVANTAGES

62 GI producer groups confirmed that there is some kind of **disadvantage or negative impact** to be taken into account.

Three macro-categories of disadvantages identified:

- 1. Reputation damage** if the final product is not of high quality (21 replies);
2. Difficulty to establish an effective **control and surveillance system** (costs and lack of information) (9 replies);
- 3. Risk of confusing** the processed product with the protected GI used as ingredient (5 replies).

4. Recommendations (1)

- Establish that **GI producer groups have the right to authorise operators to use their GI name in the labelling, presentation and advertising of foodstuffs containing such name as ingredient**, meaning that GI producer groups would be able to carry out control and supervision activities in all EU internal market;
- Establish that GI producer groups **may adopt and publish transparent guidelines regulating the terms and criteria according to which it would be possible to give or deny the authorization**. The guidelines may contain:
 - ✓ Criteria concerning the **quality** of the final product;
 - ✓ **Graphic criteria** that clarify how the GI name should be used;
 - ✓ **Administrative criteria** to apply for the authorisation.

4. Recommendations (2)

- Clarify that a GI is a concept that manifests itself both through the product name and the product logo registered in the product specifications, if one exists. In light of that, GI producer groups have the right to **authorise operators to use not only the GI name, but also the specific GI logo;**
- **Establish that GI producer groups can decide to demand a financial contribution or reimbursement to the processor using their GI as ingredient,** in order to address the increase in operating and management costs of their ordinary activities;
- **Establish the obligation for operators using a GI as ingredient to submit to all controls necessary to carry out supervision activities;**
- **Clarify the labelling rules concerning the use of EU logos on a processed product containing a GI as ingredient.**



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Thank you for your attention!

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