

Review of Geographical Indications schemes in South East Europe

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Abstract

The aim of this paper is to analyse the situation in the field of foodstuff geographical indications (GI) in South and Eastern Europe (SEE), the state of play related to the harmonization of the geographical indication with the EU acquis and to draw recommendations for future development of the geographical indication in South and Eastern Europe. Despite the large number of traditional products, suitable agroecological condition for production, this potential is not used so far. For small farms which is dominating in SEE, path for improved competitiveness is not in the production of high-yield production of average quality products, but rather in the added value products such as a GIs. The methodology used in this paper is mainly descriptive statistical and comparative analyse. According to the results of this paper, the main reasons for the underdevelopment of GIs in SEE are: in the unharmonized legal framework of most countries/territory with the EU, poorly developed system of producer organizations, lack of flexible registration environment for small processing capacities, lack of systemic GI support measures etc. The analysis showed that all countries/territory have established a legal framework related to GIs, but with the exception of Montenegro, these laws are not fully harmonized with the EU. The analysis showed that due to the poor visibility of these products, producers and consumers do not benefit much from previous GIs registered products. There is no single product from SEE registered in the EU. Recommendations for further development of GIs in SEE include: full harmonization of legislation with the EU,

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion of the Kosovo declaration of independence.

introduction and support for the development of producer's organizations, introduction of flexible conditions for registration of small processing capacities, system support for GI producers and processors, support for registration of national GIs at EU level.

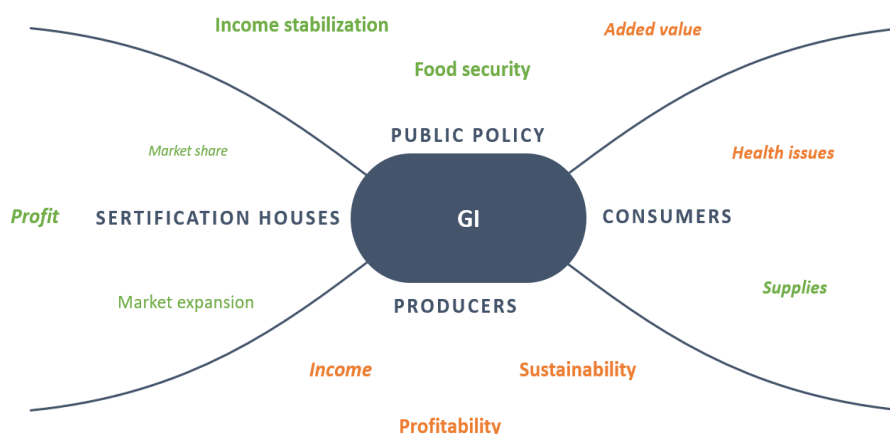
Key words: Geographical indication, Protected Designation of Origin, Protected Geographical Indication, Traditional Specialties Guaranteed

Introduction

Foodstuff quality schemes aim to provide consumers with proof that a product has been produced according to a certain methodology, in a certain area or that it contains certain characteristics. Thus, geographical indications also aim to indicate traditional products that are produced/processed in a certain area or, in the case of TSG, produced according to a traditional recipe.

A number of researches indicate how GIs importance for the agricultural sectors (Arfini et al., 2019; Barjolle, 2010; Gracia et al., 2007; Raimondi et al. 2018; FAO, 2008; WIPO 2018, Paraušić et al., 2020; Kljajić et al., 2013; Janković et al., 2018; Popović et al., 2018).

According to the above, GIs are important for farmers, consumers and other students in the GIs system (Scheme 1).



Scheme 1. Importance of GIs for different stakeholders

Source: Authors'

The following countries/territories are analysed in this paper: Albania, Bosnia and Herzegovina, Kosovo*, North Macedonia, Montenegro, and Serbia.

The paper has three main objectives:

- 1) To determine the current situation regarding foodstuff GIs in the specified SEE countries / territories.
- 2) To determine the degree of harmonization achieved in this advertisement with the EU.
- 3) To identify obstacles and provide recommendations for further development of GIs in SEE.

Three main GIs schemes are prescribed in the EU: PDO (Protected Designation of Origin), PGI (Protected Geographical Indication) and TSG (Traditional Specialty Guaranteed). In addition to the above, there are also optional GIs schemes.

For all SEE countries, the legal framework related to the EU in GIs is important for two reasons, firstly in the process of harmonization with the EU acquis they are obliged to harmonize with this area and secondly harmonization with the EU legal framework enables protection of national GIS products at EU level. Currently there is no GIs products from SEE registered in the EU.

GIs legal framework in EU

- Regulation (EU) No 1151/2012 of the European Parliament and of the Council of 21 November 2012 on quality schemes for agricultural products and foodstuffs;
- Regulation (EC) No 1308/2013 on the protection of geographical indications for wine;
- Regulation (EC) No 251/2014 on the protection of geographical indications for aromatised wine;
- Regulation (EC) No 787/2019 on the protection of geographical indications for spirit drinks;

SEE countries are rich in high quality traditional products with high market potential. Main reason for GIs potential are not used in full scale is in the inadequate legal framework, orientation to the national GIs product registration with poor visibility instead of EU registration, lack of necessary infrastructure for GIs development.

On the contrary EU has well established legal framework with common EU registration and GIs labels.

Why GIs are important for SEE?

- 1) A large number of traditional products and good production conditions.
- 2) In all SEE countries process of depopulation of rural areas is present, so the special importance of GIs in improving the profitability of agricultural production on small farms and population retention in rural areas

- 3) Small size farms in SEE are usually unable to compete in economies of scale, so its completeness should be based on "value-added" products, such as GI.

Material and Methods

The methodology used in this paper is consist on:

- Desk research;
- Literature rewove,
- Comparative analyse.

Main data sources are national statistics databases and ministries of agriculture's data.

Results and Discussion

All analysed SEE countries have an established legal framework regarding foodstuff GIs. Table 1 presents the legal framework, the competent institution and the degree of harmonization with the EU legal framework.

Table 1. Legal framework in 2020, competent institution and degree of harmonization with the EU legal framework in SEE

Country/ territory	Adopted laws GIs quality schemes	Compliance with EU acquis	Competent Authority
ALB	Law on the quality scheme of agricultural and foodstuff (OG 8/2019)	In line, should be fully harmonized	Ministry of Agriculture and Rural Development
BIH	Rulebook on quality systems for food products (OG 90/18)	Partially	Food Safety Agency of BiH
KOS*	Law on Geographical Indications and Designations of Origin set out the rules of the GI protection in general (OG 05/L-051) in force	Partially	Intellectual Property Agency and the Ministry of Trade and Industry
MNE	Law on quality schemes of agricultural and foodstuffs (OG 01-347/2)	Fully harmonized	Ministry of Agriculture and Rural Development
MKD	Law on the Quality of Agricultural Products (140/2010, 53/2011, 55/2012, 106/2013, 116/2015, 149/2015; 193/2015)	Partially	Ministry of Agriculture, Forestry and Water Economy
SER	Law on Indications of Geographical Origin (Official Gazette of RS, no. 18/2010).	Not harmonized	Intellectual Property Office with support of the Ministry of Agriculture, Forestry and water Management

Source: Authors'

In this part, the situation in the field of GIs in each of the SEE countries is analysed separately.

Geographical indications schemes in Serbia

Agriculture represents one of most important sectors in Serbian economy.

Serbian legal framework is not harmonized with EU. Main unconformity lie in the institutional framework where Intellectual property office is in the charge for foodstuff GIs supported by the MAFWM. Second unconformity is found in fact that party not involving in the production of GIs can fill application for recognition (i.e. chamber of commerce, local municipalities etc.), while EU rules allowing only group of producers which are producing that traditional products to apply for recognition. Third there is no proper objection procedure within the registration of GIs products.

Regarding the labelling of the GIs foodstuff in Serbia, self-adhesive stamps made by the National Bank of Serbia are used. This way of marking has proven to be less efficient since it requires additional costs for producers, stamps are not suitable for gluing on individual packages, etc.



Picture 1. PDO and PGI self-abrasive labels

Currently there is 36 registered PDO products and 10 PGI. Most of the products are without users.

Geographical indications schemes in Bosnia and Herzegovina

BIH made significant progress in GIs since 2018 with adoption of the Rulebook on quality systems for food products (OG 90/18) creating legal framework almost fully aligned with EU.



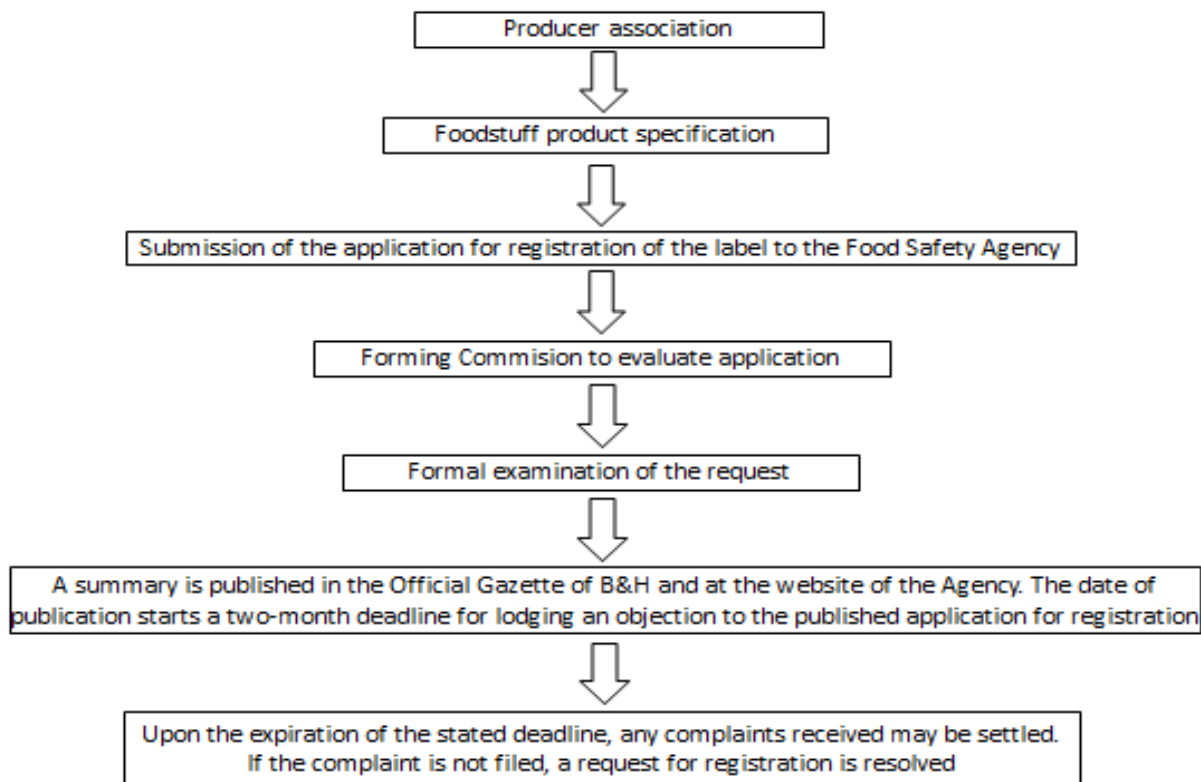
Picture 2. GIs labels in BIH

Three areas have been identified that are not fully in line with the acquis (SWG, 2020):

- 1) GIs quality system for agricultural products is not established.

- 2) Optional quality schemes are not established.
- 3) If the original name is in other alphabet than Latin, it will need to be prescribe to have Latin translation.

BIH has GIs registration procedure in line with EU (Scheme 2).



Scheme 2. GIs registration process in BIH

Source: SWG, 2020

Four GIs products registered in BIH and one in the procedure.

Geographical indications schemes in Montenegro

Only fully harmonized legal framework with EU is found in Montenegro.

Legal framework governing GIs is:

- Law on quality schemes of agricultural and foodstuffs (Official Gazette of Montenegro, No 01-347/2);

Beside PDO; PGI and TSG, Montenegro introduced optional quality marks: Higher quality, Mountain product; From my farm.



Picture 3. GIs labels in Montenegro

Registration procedure is in accordance with EU.

Registration procedure is as follow:

- GIs registration is in the competence of responsibility of the Ministry of Agriculture and Rural Development.
- The GIs registration application can be submitted only with producer's association.
- First step is to submit product specification to the Ministry of Agriculture and Rural Development.
- The Ministry of Agriculture and Rural Development is appointing Commission for application examination.
- In the case of Commission' positive decision next step I public announcement and possibility for objecting the application.

Seven GIs products are registered so far.

Geographical indications schemes in Albania

Albania has established legal framework allowing PDO, PGI and TSG GIs marks. So far there are 22 registered products.

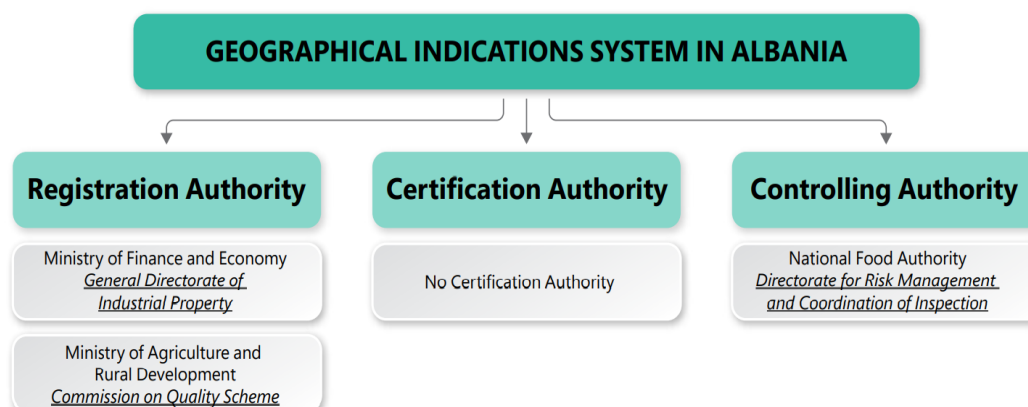


Picture 4. GIs labels in Albania

Source: Ministry for Europe and foreign affairs Republic of Albania (2019)

As other SEE countries/territory Albania has large number of well-known traditional foodstuff, low farmland and excellent conditions for GIs development. As in the other analysed countries Albanian’ farmers are not using GIs potential. Main reasons are in not harmonized legal framework with EU Acquis, poor GIs visibility, absence of the flexible procedures for registration of the small foodstuff processing capacities.

At the scheme 3 is presented GIs products registration procedure in Albania. It can be concluded that process is not aligned with EU, and certification authorities are not appointed.



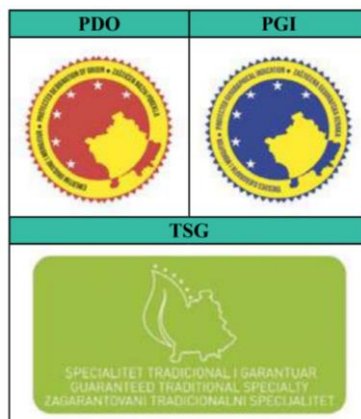
Scheme 3. GIs registration process in Albania

Source: SWG, 2020

GIs products visibility is poor. The website of the Ministry of Agriculture and Rural Development needs to be updated with GIs products specifications.

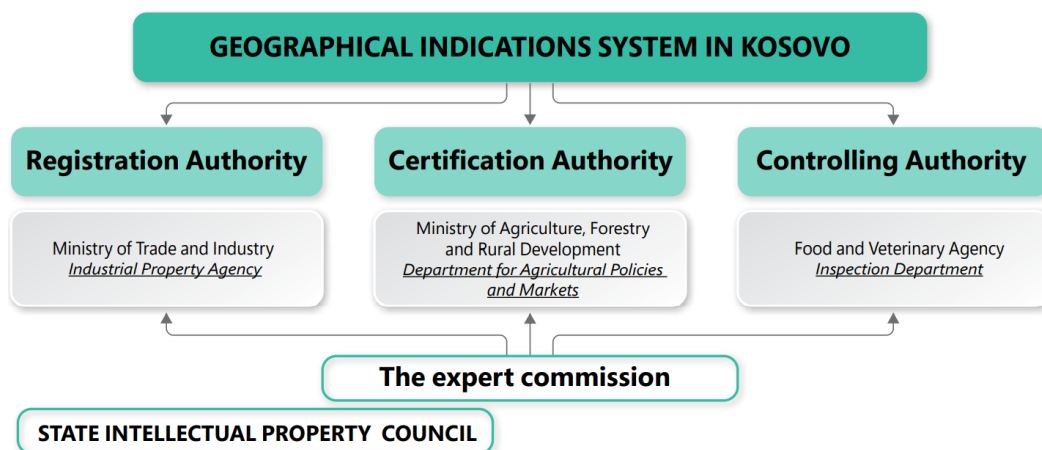
Geographical indications schemes in Kosovo*

Kosovo* has established legal framework allowing PDO, PGI and TSG GIs marks. There are no registered products but Sharri Cheese as PDO and Rahoveci Wine as PGI in the registration procedure.



Picture 5. GIs labels in Kosovo*
Source: SWG, 2020

At the scheme 4 is presented GIs products registration procedure in Kosovo*. It can be concluded that process is not aligned with EU, and certification authorities are not appointed. There are multiple institutions in charge of GIs which is proven not to be efficient institutional framework.



Scheme 4. GIs registration process in Kosovo*
Source: SWG, 2020

Geographical indications schemes in North Macedonia

North Macedonia has established legal framework allowing PDO, PGI and TSG GIs marks. There is one PDO registered - Ohrid cherry.

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Picture 6. GIs labels in North Macedonia
Source: SWG, 2020

North Macedonian GIs registration procedure is harmonized with EU. Only group of farmers who producing GIs product is eligible to initiate registration procedure, there is proper objection procedure etc. (Scheme 5).

REGISTRATION PROCEDURE
Association or group of farmers decide to protect product (legal entity)
Elaborate or specification of the product
Single document (for PDO and PGI)
Fill the Application form
Request with the required documentation submit to MAFWE (name and address of the association, identification number, representative of the group etc.)
MAFWE-nominate a Commission for control of the delivered documentation (experts from the field +administration)
if is positive opinion/ publish on the web side of MAFWE/ 6 months
If there is no objection
Product is imported in the Register of PDO. PGI or TSG
All producers should be registered individually
Producers are officially imported into the Register of Producers Each producer to be entered in the registry should have undergone the procedure for verification of compliance with the elaborate and / or the specification, according to a predefined control plan.
Regular control of the product and manufacturing process by competent bodies
Announcement when Producers started with production of the protected product (determination of the conformity of production, processing and the product with the specification)

Scheme 5. GIs registration process in North Macedonia

Source: SWG, 2020

Obstacle in the implementation and control of the GIs is in the lack of the interest from the certification bodies to take part in the GIs due to the small market, so Ministry of agriculture was forced to take that obligation.

North Macedonia made significant progress in harmonizing legal framework with EU, but there is some minor unconformities i.e.:

- Optional quality terms are not in compliance with EU.
- Product specification is missing in certain provisions.
- Animal products are lacking in provision on quality of feed;
- Traceability the product is not aligned fully with EU.
- Some provisions regarding GIs control are not prescribed.

Obstacles to the development of geographical indications in SEE

The most important question within this paper is if the conditions are good for GIs in SEE countries why this foodstuff quality scheme is not developed and what are the limitations.

According to the analyses all SEE countries/territory are facing similar challenges.

Those are most important limitation which need to be addressed in order to develop GIS in SEE:

- 1) Inconsistency of the institutional and legislative framework with the EU;
- 2) Difficult registration of small processing capacities;
- 3) Small number and low activity of interest associations of agricultural producers (PO and PG have not been established);
- 4) Absence of systemic long-term support measures;
- 5) Poor “visibility” of GI products;
- 6) Poor information of producers / consumers;
- 7) Weak connection of products with geographical indication with rural tourism;
- 8) Lack of cooperation in the registration of cross-border GI products;

Conclusion

According to the results of this paper, the main reasons for the underdevelopment of GIs in SEE are: in the unharmonized legal framework of most countries/territory with the EU, poorly developed system of producer organizations, lack of flexible registration environment for small processing capacities, lack of systemic GI support measures etc. The analysis showed that all countries/territory have established a legal framework related to GIs, but with the exception of Montenegro, these laws are not fully harmonized with the EU. The analysis showed that due

to the poor visibility of these products, producers and consumers do not benefit much from previous GIs registered products. There is no single product from SEE registered in the EU.

Main recommendations for development of the GIs in SEE are:

- 1) Harmonization of the Institutional and Legislative Framework with the EU;
- 2) Flexibility and deviations from food safety requirements for small processing facilities;
- 3) Introduction of long-term systemic support measures;
- 4) Establishment and support of producer organizations and producer groups;
- 5) Assistance to producers in obtaining EU registration;
- 6) Initiatives for cross-border registration of geographical indications;
- 7) Connecting GIs foodstuff with rural tourism;
- 8) Establishment of regular annual meetings of agricultural policy makers from WB countries related to public quality standards (geographical origin and organic agriculture);

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