Procedure file

Basic information

2010/0354(COD) COD - Ordinary legislative procedure (ex-codecision

procedure) Regulation

Agricultural products: marketing standards

Subject

3.10.02 Processed products, agri-foodstuffs

3.10.03 Marketing and trade of agricultural products and livestock

3.10.10 Foodstuffs, foodstuffs legislation

4.60.02 Consumer information, advertising, labelling

4.60.04.04 Food safety

Procedure lapsed or withdrawn

Key players

European Parliament

Council of the European Union Council configuration

Meeting

Date

Agriculture and Fisheries

3084

14/04/2011

European Commission

Commission DG

Agriculture and Rural Development

Commissioner CIOLOŞ Dacian

Key events			
09/12/2010	Legislative proposal published	COM(2010)0738	Summary
18/01/2011	Committee referral announced in Parliament, 1st reading		
14/04/2011	Debate in Council	3084	Summary
18/07/2011	Committee report tabled for plenary, 1st reading	<u>A7-0281/2011</u>	Summary
07/03/2015	Proposal withdrawn by Commission		

Technical information		
Procedure reference	2010/0354(COD)	
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)	
Procedure subtype	Legislation	
Legislative instrument	Regulation	
Legal basis	Treaty on the Functioning of the EU TFEU 043-p2	
Other legal basis	Rules of Procedure EP 159	
Stage reached in procedure	Procedure lapsed or withdrawn	
Committee dossier	AGRI/8/00057	

Documentation gateway					
Legislative proposal	COM(2010)0738	10/12/2010	EC	Summary	
Economic and Social Committee: opinion, report	CES0812/2011	04/05/2011	ESC		
Committee report tabled for plenary, 1st reading/single reading	A7-0281/2011	18/07/2011	EP	Summary	

Additional information		
National parliaments	<u>IPEX</u>	
European Commission	EUR-Lex	

Agricultural products: marketing standards

PURPOSE: to put in place a coherent agricultural product quality policy.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

BACKGROUND: farmers and producers of agricultural products face competitive pressure resulting from policy reform, globalisation, the concentration of bargaining power in the retail sector, and the state of the economy. At the same time, consumers increasingly look for authentic products produced using specific and traditional methods.

The diversity and quality of European Union agricultural production should be an important strength and source of competitive advantage for Union farmers. However, in order for consumers and buyers to be properly informed about the characteristics and farming attributes of agricultural product, they need to receive accurate and trustworthy labelling information.

Most tools already exist at European Union level. Since the 1990s, Union agricultural product quality policy has been closely identified with three Union schemes, namely for protected designations of origin (PDOs) and protected geographical indications (PGIs), for organic farming, and for traditional specialities guaranteed (TSG). In addition, Union marketing standards have provided a legislative framework for fair competition and smooth functioning of the market since the inception of the common agricultural policy.

Analysis and discussion with stakeholders has shown that these tools may be improved, simplified and made more coherent.

In 2007 a major conference was held bringing together all types of quality schemes: ?Food quality certification?adding value to farm produce?. The Conference led to the 2008 Green Paper on agricultural product quality, which elicited over 560 detailed stakeholder responses and provided the input for the Communication on agricultural product quality policy in 2009. In response to this communication, the European Parliament adopted the resolution, ?Agricultural product quality policy: what strategy to follow?? in March 2010.

The Quality Package consists of a set of proposals designed to put in place a coherent agricultural product quality policy. It is aimed at assisting farmers to better communicate the qualities, characteristics and attributes of agricultural product, and at ensuring appropriate consumer information. The Quality Package includes:

- a proposal for a Regulation of the European Parliament and of the Council on agricultural product quality schemes;
- a proposal to modify Regulation (EC) No 1234/2007 (the single Common Market Organisation) concerning marketing standards for agricultural products;
- guidelines setting out best practice for the development and operation of certification schemes relating to agricultural products and foodstuffs;
- guidelines on the labelling of foodstuffs using Protected Designation of Origin (PDO) and Protected Geographical Indications (PGI) as ingredients.

IMPACT ASSESSMENT: following the Communication on agricultural product quality policy in 2009 and the main responses to it, two impact assessments were prepared with a view to exploring the options identified in the Communication. These covered designations of origin and geographical indications, and traditional specialities guaranteed. Concerning marketing standards, in addition to the impact assessment work already done in the context of the 2009 Communication, further impact assessment work will be associated as appropriate to the proposals on the specific standards in the context of delegated powers for which a legal framework has been provided within the alignment of Regulation (EC) 1234/2007 to the Treaty of Lisbon.

LEGAL BASE: Article 43(2) on the Treaty on the Functioning of the European Union (TFEU).

CONTENT: there is an extensive body of legislation that has developed with regard to marketing standards, mostly on a sectoral basis, in the form of regulations and directives adopted both at the level of Council and the Commission. A minimum requirement of "sound, fair and marketable" already exists in market management measures. Extending these minimum requirements to those products not covered by specific standards can be useful for reassuring consumers about the basic quality of the products they buy.

The proposal also takes into account the necessity of the alignment to the Treaty on the Functioning of the European Union, and thus the powers to adopt and develop standards in future will be delegated to the Commission.

Under this new framework, a legal basis for compulsory labelling of place of farming will be introduced for all sectors. This allows the Commission, following appropriate impact assessments and on a case by case basis, to adopt delegated acts concerning possible mandatory

labelling on place of farming at the appropriate geographical level in order to satisfy the consumers' demands for transparency and information.

One of the first sectors to be examined will be the dairy sector. At the same time the Commission envisages that for the future the mandatory indication of origin, for those sectors in which it already exists, will be maintained.

BUDGETARY IMPLICATION: this proposal does not bear budgetary implications.

Agricultural products: marketing standards

The Council had an exchange of views on a proposal for a regulation on agricultural product quality schemes. It should be noted that the Commission drew up the "quality package", which consists of a set of proposals designed to put in place a coherent agricultural product quality policy aimed at assisting farmers to better communicate the qualities, characteristics and attributes of agricultural products to consumers, on the basis of the Council conclusions of 22 and 23 June 2009 on agricultural product quality.

The "quality package" consists of two texts:

- a proposal for a regulation on agricultural product quality schemes;
- a proposal amending the "Single CMO" regulation, (regulation No 1234/2007).

Delegations generally welcomed the Presidency's views on a ?local farming and direct sales? scheme because of the development of this particular sector and consumer demand. However some Member States feared that this scheme could constitute an administrative burden and insisted on keeping the simplification of CAP legislation in mind. In addition, many Member States do not want a European scheme on this issue to interfere with national measures already in place.

Most delegations are in favour of rules for the products of mountain farming supported by the "quality package", but insist on definitions and criteria for such production. Some delegations mentioned the possibility of developing rules for agricultural products coming from very specific areas.

On both issues, many Member States are waiting for the impact assessments scheduled by the Commission before giving a definitive view.

Agricultural products: marketing standards

The Committee on Agriculture and Rural Development adopted the report by Iratxe GARCÍA PÉREZ (S&D, ES) on the proposal for a regulation of the European Parliament and of the Council amending Council Regulation (EC) No 1234/2007 as regards marketing standards.

The committee recommends that the European Parliaments position in first reading following the ordinary legislative procedure should amend the commission proposal as follows:

Optional reserved terms: Members want the specific provisions relating to optional reserved terms and all articles and recitals relating to these terms and to marketing standards, as well as Annex II to be removed from the proposal on product quality schemes and moved to this proposal, so as to integrate all optional reserved terms in the Single CMO.

Conformity with the general marketing standard: in order to resolve the problems faced by small-scale producers in meeting Union marketing standards, the Commission shall, by 30 September 2012, present a report accompanied, if appropriate, by legislative proposals creating appropriate simplified marketing standards for local animal breeds and plant varieties that are used and produced by small-scale producers.

Member States may also:

- · adopt or maintain national provisions on aspects of marketing which are not specifically harmonised;
- adopt or maintain national rules on marketing standards for sectors or products to which the general marketing standard applies,
 provided that those rules are in compliance with Union law and with the rules on the functioning of the single market.

Delegated powers concerning general marketing standard: the Commission shall adopt delegated acts concerning rules relating to the conditions for implementing and monitoring, taking into account the need to avoid lowering the general marketing standard to the point where the quality of European products starts to decline.

The Commission shall be empowered to adopt delegated acts concerning the marketing standards by sector or product, as well as derogations and exemptions from the application of such standards, only for a limited period and in exceptional cases, in order to adapt to the constantly changing market conditions.

Marketing standards shall be revised only if all the groups concerned (which include farmers, processors, traders and consumers) benefit from the revision and the additional costs are not borne by producers alone.

Establishment of marketing standards: Members want to specify that these standards must be established taking into account:

- the interest of consumers to receive adequate and transparent product information, after conducting an impact assessment covering
 inter alia the costs and administrative burdens for operators, as well as the benefits offered to producers and the end consumer;
- the need to preserve of the natural and essential characteristics of products and to avoid causing a substantial change in the composition of the product concerned.

Third countries: in order to take account of the specificities in trade between the Union and certain third countries and of the special character of some agricultural products and to ensure that consumers are not misled as a result of their established expectations and perceptions, measures may be adopted acting in accordance with the ordinary legislative procedure to define the conditions under which imported products are considered as providing an equivalent level of compliance with the Union requirements concerning marketing standards.

Role of groups: in order to improve and stabilise the operation of the market in products that have been assigned a protected designation of origin or a protected geographical indication pursuant to the Regulation on agricultural product quality schemes, producer Member States may lay down marketing rules to regulate supply, in particular by implementing decisions taken by the groups.

Pig meat, sheep meat and goat meat: Members ask the Commission to report by 31 December 2012, on the possibilities of establishing specific standards for pigmeat, sheepmeat and goatmeat.

Alignment with the Lisbon Treaty: the report makes several amendments in order r to reflect the common understanding reached between the institutions on the use of delegated acts, as well as the entry into force of the Regulation No (EU) 182/2011 on implementing acts.