

EU MEMBER STATES' POTENTIAL FOR PROTECTING CRAFT AND INDUSTRIAL GEOGRAPHICAL INDICATIONS IN THE EU: KEY FINDINGS OF THE STUDY COMMISSIONED BY EUIPO



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WORLDWIDE PERSPECTIVES ON GEOGRAPHICAL INDICATIONS

STUDY ON EU MEMBER STATES' POTENTIAL FOR PROTECTING CRAFT AND INDUSTRIAL GIs

- The EUIPO commissioned the “STUDY ON EU MEMBER STATES’ POTENTIAL FOR PROTECTING CRAFT AND INDUSTRIAL GEOGRAPHICAL INDICATIONS” with the objective to provide an updated overview on **the current legal framework for the protection of the names of geographically rooted craft and industrial products** implemented at national level in the Member States and to assess **if, and to what extent, there is a local interest in the protection of craft and industrial GIs.**
- Member States have followed a **fragmented approach for the protection of names of geographically rooted craft and industrial products.** Reportedly 16 Member States have enacted a specific GI scheme also for CI products, even though such protection schemes differ in terms of scope of protection, administration, fees and enforcement measures.
- The survey carried out within this study, and the qualitative and quantitative analysis of the responses obtained across the EU Member States, allow to grasp evidence on **the local interest on the protection of CI GIs.**
- According to the CI GI Regulation, each Member State must appoint a national competent authority to oversee the national phase of the registration process. However, the European Commission may grant a derogation from this obligation to MSs lacking a national *sui generis* system for CI GIs and with a “low local interest” in protecting GIs for craft and industrial products (Article 19). The Member State invoking the derogation bears the burden of proof to demonstrate both conditions.

THE SURVEY

- To fulfill the objectives of this study, a comprehensive survey analysis was conducted between February and June 2024.
- Semi-structured questionnaires were sent to relevant stakeholders within the EU Member States, targeting both **public authorities** and **private sector representatives**.
- The consultation sought to estimate **the level of interest from these sectors in protecting CI GIs, gauge the intention of producers or associations to file applications for CI GIs under the new system, and determine whether public institutions plan to manage the national registration phase and designate a national competent authority**.
- The results are aimed at aiding the Commission to evaluate the “low local interest” in CI GIs in certain MSs.

A total of 493 stakeholders were contacted via email: 314 stakeholders from the private sector (including producers, producer associations, and chambers of commerce) and 179 stakeholders from the public sector (including national, regional, and local authorities).

The consultation was open for approximately 20 weeks, from February 1, 2024, to June 15, 2024, via the EU Survey online system and available in five languages: English, French, German, Italian, and Spanish.

The survey received a total of 130 responses from 27 EU Member States.

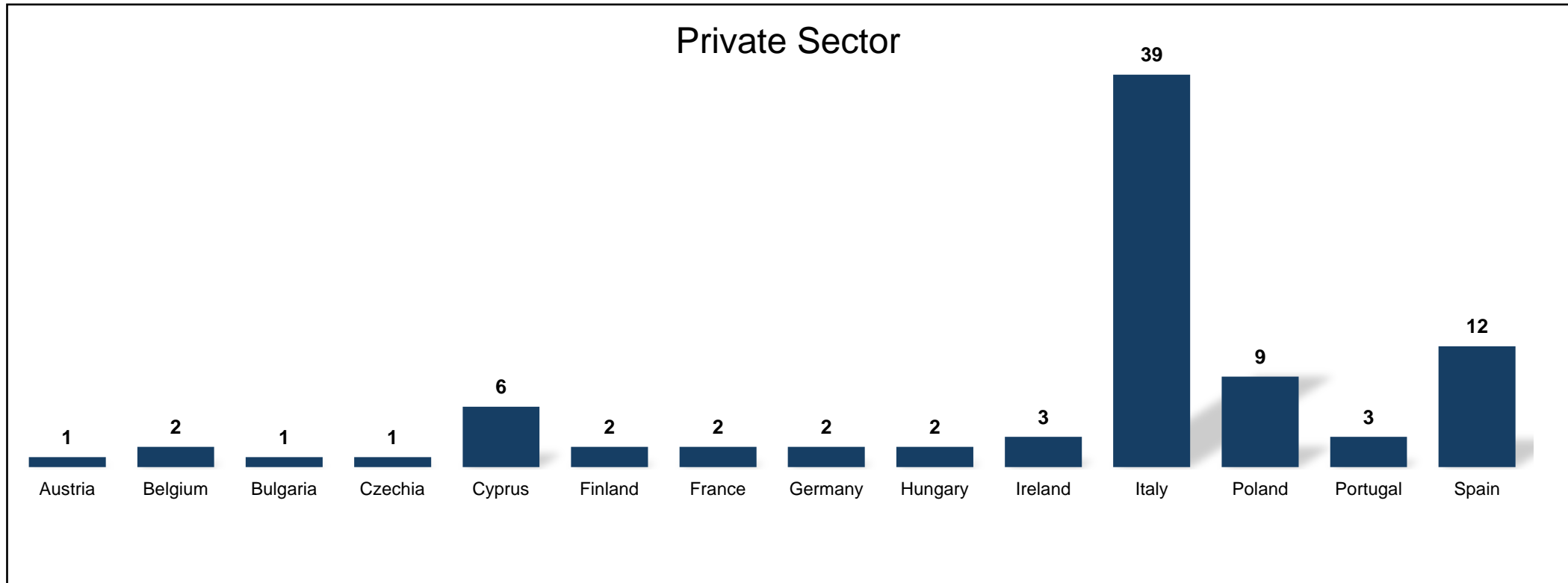
PARTICIPATION TO THE SURVEY

- The consultation received a **total of 130 responses** from 27 EU Member States. In particular a total of **85 responses from the Private Sector**, covering 14 Member States, and **45 responses from Public Authorities**, covering all Member States, were collected.
- Notably, **at least one public authority from each Member State participated**, providing valuable input for assessing the public sector's interest in protecting CI GIs.
- **In the private sector, stakeholders from 14 Member States responded**, specifically: Austria (AT), Belgium (BE), Bulgaria (BG), Czech Republic (CZ), Cyprus (CY), Finland (FI), France (FR), Germany (DE), Hungary (HU), Ireland (IE), Italy (IT), Poland (PL), Portugal (PT), and Spain (ES).
- Despite extensive outreach efforts, private stakeholders from the following 13 Member States did not respond: Croatia (HR), Denmark (DK), Estonia (EE), Greece (EL), Latvia (LV), Lithuania (LT), Luxembourg (LU), Malta (MT), Netherlands (NL), Romania (RO), Slovenia (SI), Slovakia (SK), and Sweden (SE).



PARTICIPATION STATISTICS – PRIVATE SECTOR

The answers received from the **Private Sector** are **85** and originate from **14 Member States**: Austria, Belgium, Bulgaria, Czech Republic, Cyprus, Finland, France, Germany, Hungary, Ireland, Italy, Poland, Portugal and Spain.



PARTICIPATION STATISTICS – PRODUCERS


Awareness about CI GIs among producers was relatively high, with 70% of respondents familiar with the concept.



From the questionnaire responses, **49 out of 58 producers (86%) expressed a willingness to apply for CI GI registration.**



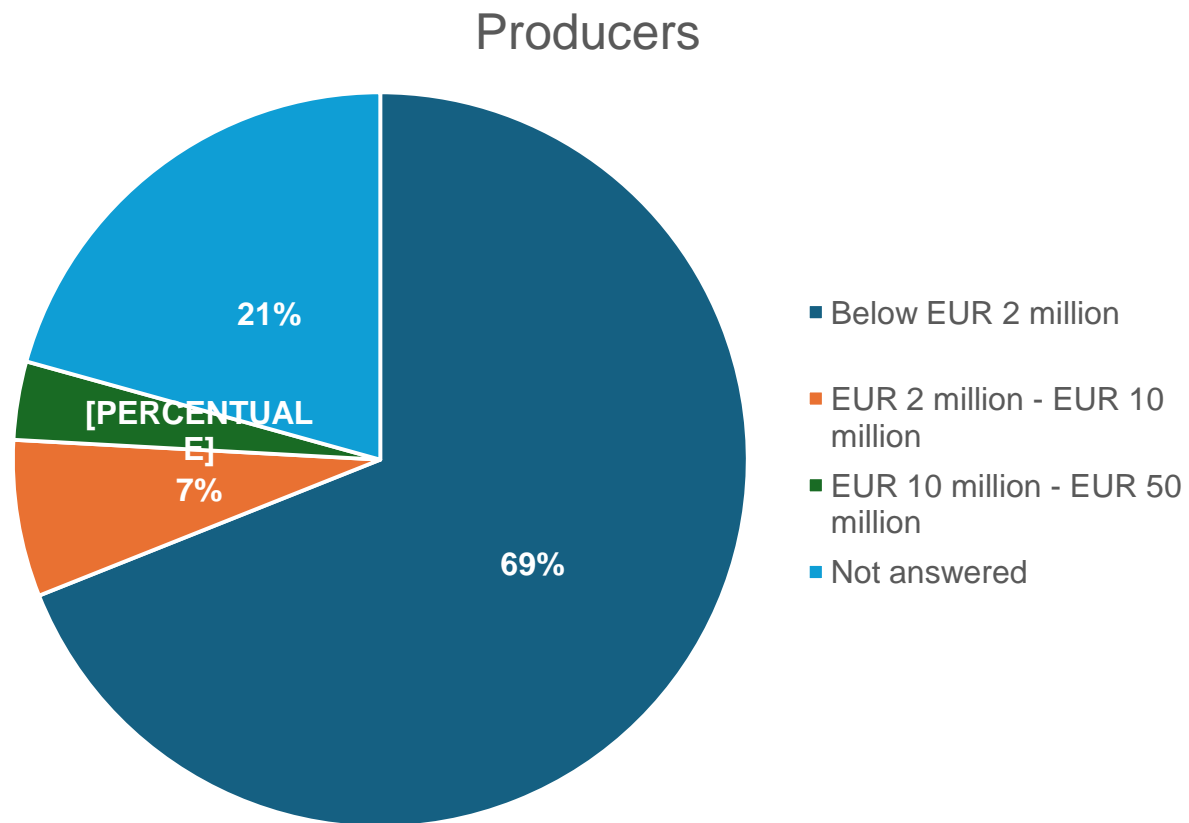
However, only 20 producers indicated that their products have formalized specifications (regulations of use, production standards) that all producers must comply with.



This discrepancy highlights a significant challenge: while there is a high level of interest in obtaining GI protection, many producers lack the necessary formalized standards and regulations to support such applications.

The majority of producers had fewer than 10 employees and an annual turnover of less than EUR 2 million, highlighting the prevalence of micro-enterprises in the craft and industrial sector. This sector is defined by small-scale, traditional production methods that prioritize quality and craftsmanship.

The figure below details the declared annual turnover, with 69% of producers reporting an annual turnover of less than EUR 2 million.

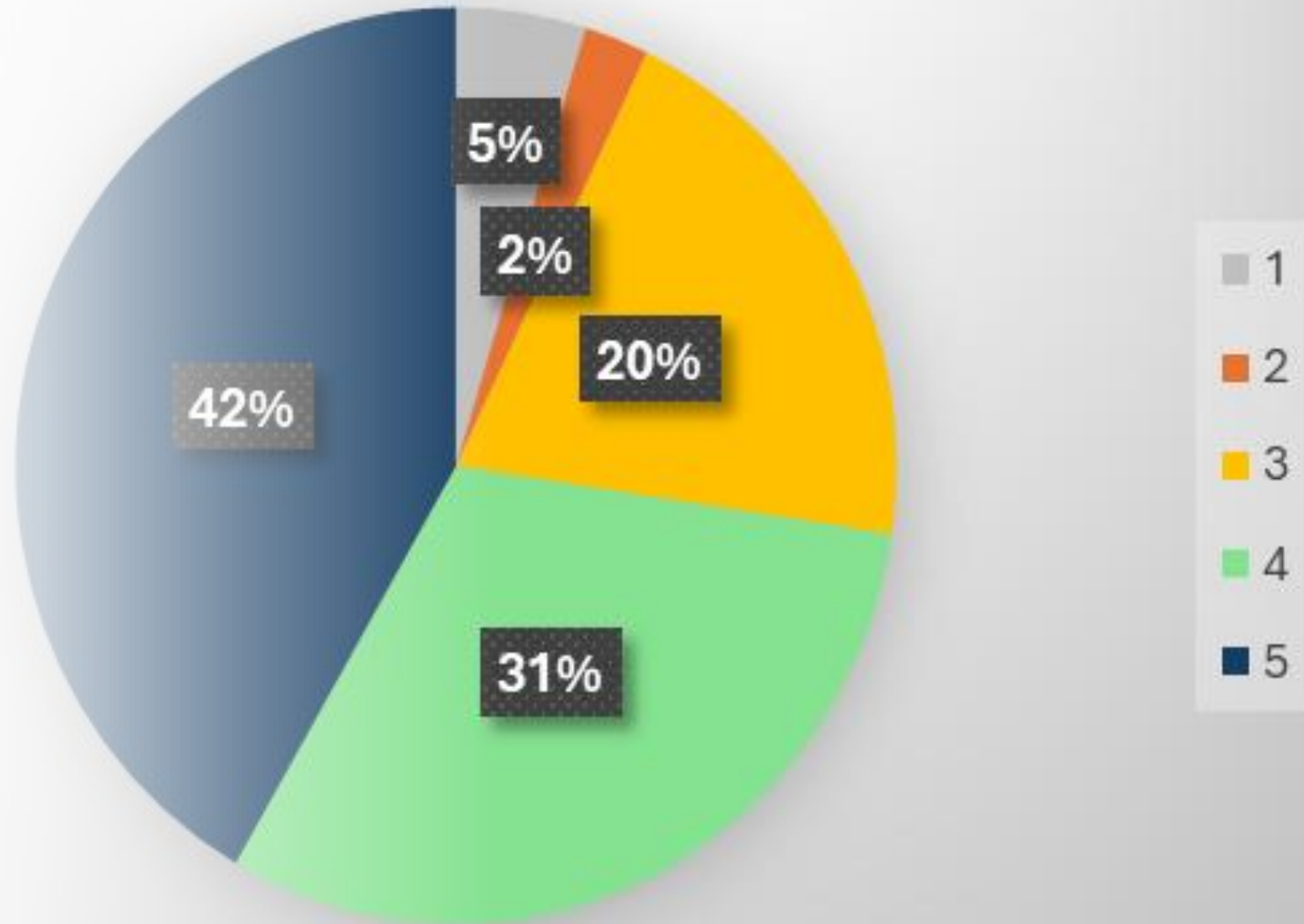


The size of the producers who participated in the questionnaires directly reflects these defining characteristics of this sector:

- **Nature of Production:** CI products are typically crafted using traditional methods that emphasize quality and craftsmanship over mass production.
- **Local and Specialized Markets:** These products are often deeply connected to specific geographic regions and cater to niche markets that appreciate their unique attributes.
- **Cultural and Heritage Preservation:** Many CI products embody cultural heritage and traditional knowledge passed down through generations. Microenterprises—often family-run—play a vital role in preserving these traditions and maintaining their cultural significance.
- **Market Positioning and Branding:** The distinctive, high-quality nature of CI products enables microenterprises to command premium prices. This business model allows smaller producers to maintain exceptional standards and develop strong brand identities without the need for large-scale expansion.

Private Sector Level of Interest

- According to the aggregate replies from the **private sector**, the estimated level of interest concerning the protection of CI GIs is **relatively high**:
- **73%** of the total respondents indicated a very high (5/5) or high (4/5) level of interest.
- **20%** of the total respondents indicated a moderate interest (3/5).
- **7% of respondents** indicated a low (2%) or very low (5%) interest. The responses come from a limited number of countries: Italy (2 producers out of 26, 1 producer association out of 6, and 1 chamber of commerce out of 7), Spain (1 association over 7) and Finland (1 association of SMEs).



PUBLIC SECTOR – MSs willing to ask the derogation according to Art. 19

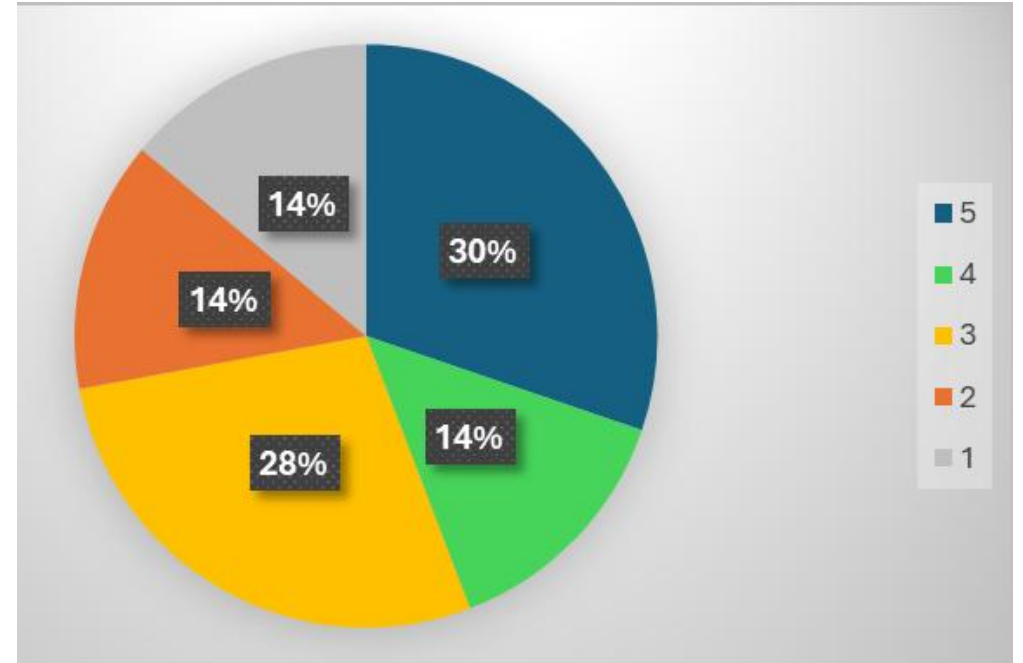
Public authorities from the following Member States indicated that their country might seek the opt-out under Article 19 of the CIGIs Regulation: **Denmark, Finland, Ireland, Lithuania, Luxemburg, Malta, The Netherlands, Sweden. Cyprus, Slovenia, and Belgium** indicated they had still ongoing internal discussions on this matter.

Reasons indicated in the survey responses:

- **Malta and Cyprus** indicated challenges such as resource shortages and administrative burdens. However, they still recognize the importance of GI protection and are considering options to address these challenges. Malta is considering an opt-out due to the anticipated low number of applications and the burden on national offices, while Cyprus is in discussions among ministries and authorities to decide on the opt-out option.
- **Denmark, Finland, the Netherlands and Sweden** had always expressed reservations about establishing a new sui generis GI protection system. Their main concerns included the potential administrative burden and increased product costs, as well as the belief that the existing trademark system already provides sufficient protection.
- **Slovenia** has a sui generis GI system. Given that there are only two nationally registered geographical indications for craft and industrial products in Slovenia, the Slovenian IP Office estimates that the current interest in registering a GI for these type of products in Slovenia is poor.
- **Lithuania's** State Patent Bureau reported a minimal number of products potentially eligible for craft and industrial GI protection and is thus likely to make use of the opt-out.
- It should also be mentioned that public authorities in **Ireland and Luxemborg** launched a public consultation to seek feedback from interesting parties for the national implementation of the EU Regulation on the protection of CI GIs.

PUBLIC SECTOR LEVEL OF INTEREST

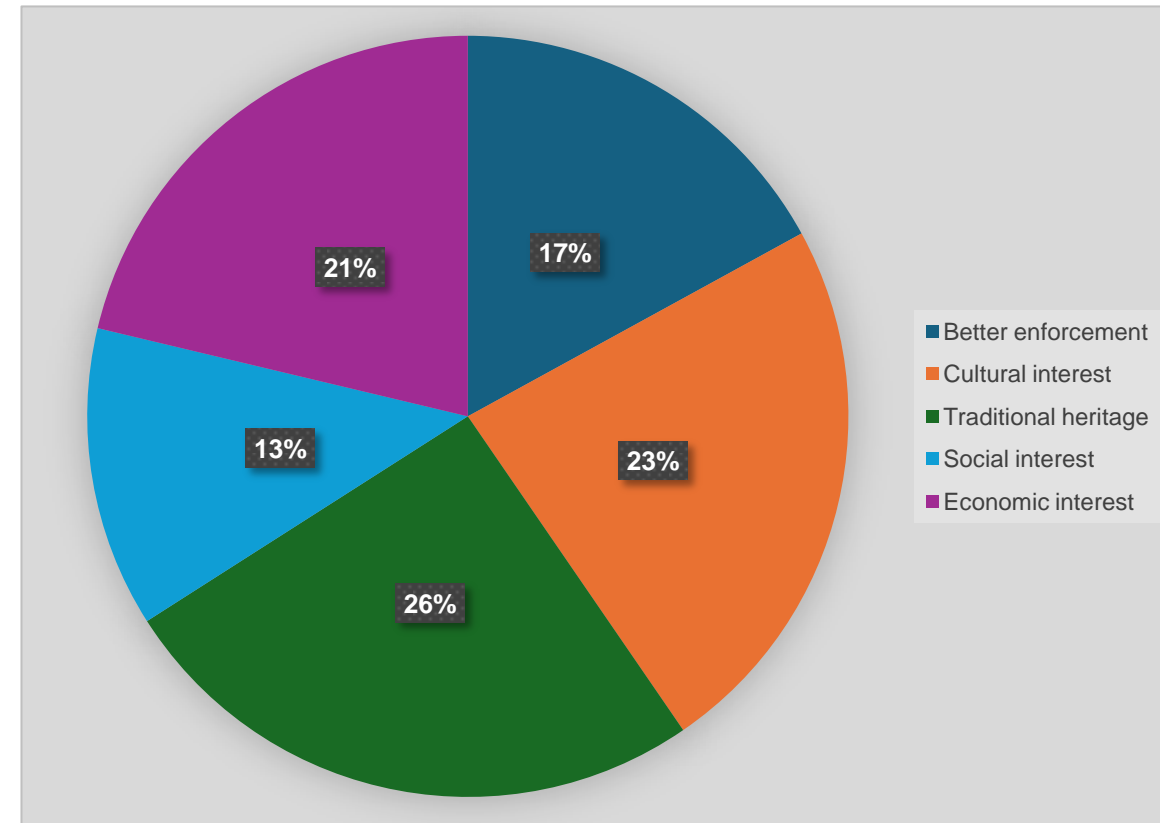
- Highest Level of Interest (5):** 30% of respondents, corresponding to **13 Public Authorities** expressed the highest level of interest in protecting CI GIs. They come from Italy (5 respondents), Spain (4 respondents), Portugal (3 respondents), and France (1 respondent), where the interest is in general high or very high.
- High Interest (4):** 14% of respondents, corresponding to **6 Public Authorities**, reported a high level of interest, demonstrating significant attention and priority given to CI GI protection. They come from Cyprus (1 respondent), Malta (1 respondent), Romania (1 respondent), Spain (2 respondents) and Netherlands (1 respondent).
- Medium Level of Interest (3):** 28% of respondents, corresponding to **12 Public Authorities**, indicated a medium level of interest, suggesting a moderate but discernible focus on CI GI protection. The majority come from the Eastern Europe countries, including Bulgaria (1 respondent), Croatia (1 respondent), Czechia (1 respondent), Hungary (1 respondent), Slovakia (1 respondent), Poland (1 respondent). The list also includes Estonia (1 respondent), Germany (1 respondent), Greece (2 respondents), Spain (1 respondent) and Italy (1 respondent).
- Low Level of Interest (2):** 14% of respondents, corresponding to **6 Public Authorities** coming from Belgium (1 respondent), Ireland (1 respondent), Latvia (1 respondent), Lithuania (2 respondents) and Slovenia (1 respondent) reported a low level of interest in CI GI protection.
- No Interest (1):** the 14% of respondents, corresponding to **6 Public Authorities** including Austria, Denmark, Finland, Luxembourg, Netherlands and Sweden (1 respondent each) revealed no interest in CI GIs.



TYPE OF INTEREST

Based on the collected data, Public Authorities exhibit **varied types of interest** in relation to the protection of Craft and Industrial Geographical Indications (CI GIs).

1. **Traditional Heritage (26%):** The highest level of interest among Public Authorities is attributed to the preservation of traditional heritage associated with CI GIs. This reflects a commitment to protecting culturally and historically significant products.
2. **Cultural Interest (23%):** Significant attention is given on the cultural importance of CI GIs, highlighting their role in cultural identity and heritage.
3. **Economic Interest (21%):** Economic considerations also feature prominently, with Public Authorities acknowledging the potential economic benefits stemming from the protection of CI GIs. This includes factors such as market competitiveness, export opportunities, and job creation within CI GI-related industries.
4. **Enforcement Interest (17%):** While slightly less prominent, there is still notable interest in enforcement mechanisms for CI GI protection. This underscores the importance of robust legal frameworks and enforcement measures to combat misuse, imitation, and infringement of CI GIs.
5. **Social Interest (13%):** Lastly, social considerations pertaining to CI GI protection are recognized, albeit to a lesser extent. This encompasses aspects such as community development, social cohesion, development of rural areas and the promotion of sustainable practices associated with CI GI production.



PUBLIC SECTOR LEVEL OF INTEREST

Interest \ Protection System	No national <i>sui generis</i> GI system	National <i>sui generis</i> GI system
Low Interest	Austria, Denmark, Finland, Luxembourg, Lithuania, Ireland, The Netherlands, Sweden	Belgium, Slovenia
Medium Interest	Greece, Germany	Poland, Croatia, Bulgaria, Estonia, Slovakia, Czech Republic, Hungary, Latvia
High Interest	Italy, Malta, Cyprus, Romania, Spain	Portugal, France

CONCLUSIONS

- In some countries the analysis highlighted discrepancies between the private and public sectors, **with the private sector generally indicating a higher perceived interest in CI GIs protection.**
- **In Ireland and Finland**, producers demonstrated both awareness of geographical indications and a willingness to apply for a CI GI under the new system. However, the respective public authorities in these countries expressed intentions not to designate a national authority for the CI GIs registration process → potential for conflict between the needs and interests of the producers and the actions of public authorities.
- In **France, Italy, and Portugal**, both private and public sector showed a high interest in the new system **BUT** producers are still not fully aware of the new rules and the potential benefits linked to the implementation of the new Regulation.
- The results of the study have **identified a total of 132 registered and pending national craft and industrial GIs** as well as 380 names of craft and industrial products potentially eligible for protection under the new EU CI GIs system
- The public authorities of Austria, Denmark, Finland, Luxembourg, Lithuania, Ireland, The Netherlands, Sweden, Belgium and Slovenia indicated a low local interest in the protection of CI GIs.
- The readiness and capacity to implement the new GI regime varies widely. **Gaps:**
 - ✓ lack of formalised product specifications among producers
 - ✓ Producers are not organized in associations
 - ✓ limited awareness of CI GIs as a legal tool among producers, lack of knowledge about difference with trademark protection
 - ✓ lack of initiatives at the local administrative level to raise awareness

COMPARISON - SUMMARY OF FINDINGS

Protection System		Interest	
		A) NO national sui generis GI system	B) National sui generis GI system
I) Low Interest	Public	Austria, Denmark, Finland, Luxembourg, Lithuania, Ireland, The Netherlands, Sweden	Latvia, Slovenia
	Private	-	-
II) Medium Interest	Public	Greece, Germany	Belgium, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Poland, Slovakia
	Private	Finland, Germany	Bulgaria, Czech Republic, France, Portugal
III) High Interest	Public	Cyprus, Italy, Malta, Romania, Spain	France, Portugal
	Private	Austria, Cyprus, Ireland, Italy, Spain	Belgium, Hungary, Poland

THANK YOU!



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